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HOLES IN THE SAFETY NETS

POVERTY PROGRAMS AND POLICIES IN THE STATES

NATIONAL OVERVIEW

ISAAC SHAPIRO

ROBERT GREENSTEIN

Center on Budget and Policy Priorities
Washington, D.C.

The Center on Budget and Policy Priorities, located in Washington, D.C., is an independent nonprofit research organization that provides analyses of government spending, programs and public policy issues that have an impact on low and moderate income Americans. The Center is funded by grants from foundations.

Isaac Shapiro is Senior Research Analyst at the Center, specializing in state social welfare policies and employment-related issues. He was formerly Research Associate with the Center for Social Policy Studies in Washington, D.C., where he co-authored with Sar A. Levitan the recently published book *Working but Poor: America's Contradiction*.

Robert Greenstein is the director of the Center on Budget and Policy Priorities. He is former Administrator of the Food and Nutrition Service of the U.S. Department of Agriculture.

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Center on Budget and Policy Priorities
236 Massachusetts Avenue, N.E., Suite 305
Washington, D.C. 20002
(202) 544-0591

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PREFACE

Although it may not be widely recognized, there is not really a single "safety net" covering all of the United States. Instead, there are separate and differing safety nets in each state and the District of Columbia. The Center's Safety Nets Project was created to examine these 51 safety nets.

The Project is now issuing 51 state reports -- one on the safety net in each state and the District of Columbia -- as well as this national overview. We hope these reports are useful to policymakers and legislators at federal, state, and local levels, charitable and non-profit organizations, researchers and journalists, advocacy and community groups, and others who are concerned with public policies to assist those people who are poor.

In preparing these reports, we have focused on benefit programs and income-related policies (such as state tax policies that help determine the after-tax income of poor households). The reports cover cash and medical assistance programs, food stamps, unemployment insurance, low-income housing and energy assistance programs, the Special Supplemental Food Program for Women, Infants, and Children (WIC), and tax policies. The reports do not cover programs providing services rather than benefits, not because service programs are unimportant, but because our focus here is on the benefit programs and tax policies that directly affect the incomes and purchasing power of poor households and that are widely viewed as constituting the safety net.

As these reports indicate, there are many gaps in the states' safety nets, gaps that are larger than most Americans may realize. Reducing these gaps in the safety nets could serve both to help alleviate the effects of poverty and to diminish the ranks of the poor.

The focus here on benefit and tax policies should not be taken to suggest, however, that we regard improvement in safety net programs as the complete agenda for dealing with poverty in our country. Other efforts, such as improving the educational and job skills of large numbers of low income youth, are critical. We need both adequate safety nets and effective programs and policies that assist poor families and individuals to climb out of poverty and attain self-sufficiency.

ACKNOWLEDGEMENTS

The Safety Nets Project has been a group effort, benefiting from the knowledge and efforts of much of the staff at the Center on Budget and Policy Priorities. Keith McKeown edited all of the reports -- leading to many substantive and stylistic improvements -- and helped guide the project along. Leslie Zupan prepared the documents and tables; through her skillful use of computers, an enormous amount of work was accomplished in a relatively short period of time. Paul Leonard was largely responsible for the AFDC, SSI, and housing assistance sections, including providing some of the especially difficult data analysis in these areas. Scott Barancik tenaciously tracked down state data. Laura Summer helped untangle the intricacies of the Medicaid program, as did Kathryn Porter whose comments also strengthened the structure of the state analyses. Marion Nichols surveyed the states for information on the general assistance program and organized it into comprehensible form. Stefan Harvey (and, again, Laura Summer) provided assistance on the WIC section and Fred Hutchinson helped with the tax section. Susan Steinmetz assisted with the AFDC-UP section. Kathryn Hill, Ellen Nissenbaum, Rosemary DeMenno, and Carol Seifert made useful contributions throughout the project.

A number of individuals who are no longer with the Center also assisted in the project's development. In particular, John Bickerman laid the project's groundwork, without which our task would have been substantially more difficult. David Kahan, Rebecca Plaut, and Arloc Sherman also contributed their help and expertise.

The project, moreover, could not have been completed without the generous assistance of numerous poverty policy experts who either provided us with data or commented on our findings. Steven Gold deserves special notice for his assistance, as do Sara Barwinski, Carol Croce, Cushing Dolbeare, Helen Gonzales, Chuck Hill, Ian Hill, Hal Hovey, Sara Rosenbaum, Marion Standish, Russell Sykes, and Valinda Winchester.

The authors would like to express our gratitude to all these friends and colleagues. We also claim sole responsibility for interpretations provided and any errors that may remain.

I. Holes in the Safety Nets

Although we often speak of "the safety net" protecting those who are poor, in reality the United States does not have a single safety net. On the contrary, there are 51 safety nets -- one in each state and the District of Columbia.[1] Federal standards and programs play a major role in determining levels of aid available to the poor, but in many respects state choices ultimately fashion the safety net in each state. For example, state choices are partly or solely responsible for determining the level of government cash assistance to poor families with children, eligibility for Medicaid, the Medicaid services to be provided, eligibility for unemployment insurance, and the burden of state tax systems on low income residents.

The 51 safety nets are of vastly different quality. Some states have adopted a substantial number of the key optional assistance provisions. But in many states, entire categories of households receive no assistance and most of those who receive assistance still have total incomes far below the poverty line. For example:

- In 32 states, the maximum Aid to Families with Dependent Children (AFDC) cash benefit for a family of three with no other income is below 50 percent of the poverty line. In nine states, these benefits are less than one-third of the poverty line.

- In no state except Alaska does the combined maximum AFDC and food stamp benefit lift a family of three without other income to the poverty line.

- Only 28 states provide AFDC benefits to two-parent families. In the other 23 states, poor two-parent families who cannot obtain aid from generally restrictive state or local general assistance programs and who cannot qualify for or have exhausted unemployment insurance are very unlikely to receive any cash assistance at all.

1. Throughout this analysis, the District of Columbia is considered to be a state.

- Only eight states have state programs of general cash assistance to single people and childless couples who are neither elderly nor disabled. State general assistance programs also operate in 13 other states, but in these states, aid is restricted to disabled or elderly people. In some other states, there are county-based general assistance programs, but these, too, are often limited in scope. In 11 states, there is no state or local general or emergency assistance program whatsoever.

- In 21 states, the Medicaid income eligibility threshold for a three-person family is below half of the poverty line. In only one state is it set at or above the poverty line.

- In 26 states, fewer than one of every three unemployed people received unemployment insurance in an average month in 1986.

- Although property taxes generally constitute the heaviest burden of any federal, state or local tax on poor families, and although 31 states do provide property tax relief to some low income residents through a "circuitbreaker" program, most of these states limit their circuitbreaker programs to the elderly (or to the elderly and disabled). Only 10 states have circuitbreaker programs that extend property tax relief to low income families and individuals other than those who are elderly or disabled.

- At least 28 states impose state income taxes on working families living below the poverty line, and 10 states impose income taxes on families whose gross incomes fall below half of the poverty line.

In some states, the safety net has particularly notable shortcomings. For instance, in Alabama, with one of the highest poverty rates in the nation (one of every five Alabamians was poor in 1985), maximum AFDC benefits for a single-parent family of three equal just 15.6 percent of the poverty line. This low percentage also serves as the cutoff point for Medicaid eligibility. Alabama has neither an AFDC program for two-parent families nor a general assistance program. As a result, two-parent families in poverty, as well as poor single people and childless couples who are neither elderly nor disabled, are unlikely to receive any government cash assistance in Alabama, unless they qualify for unemployment insurance. The latter program, moreover, provides cash assistance to only a small proportion of the unemployed -- fewer than one of every four jobless people in Alabama received unemployment insurance benefits in 1986.

This report consists of an overview of state safety nets and an array of tables providing state-by-state data in a number of areas. In addition to this report, the Center on Budget and Policy Priorities has published individual reports on the safety net in each of the 50 states and the District of Columbia.

The Context of State Safety Nets: The Incidence of Poverty

The adequacy of state safety nets is especially worth investigating because a substantial proportion of the country's population lives in poverty. Nationwide, 32.4 million people were classified by the Census Bureau as poor in 1986. This translates to a poverty rate of 13.6 percent, an unusually high level after four years of economic recovery. The poverty rate was higher in 1986 than in any year in the 1970s, higher even than during the 1974-1975 recession. The poverty rate in 1986 was also higher than the poverty rates of 11.6 percent in 1977 and 13.0 percent in 1980, even though the unemployment rate was at nearly identical levels in all three years.

While official Census data on state poverty rates are not as current as the nationwide poverty data (the latest available government estimates of state poverty rates are from the 1980 Census), more recent estimates -- based on 1985 Census data -- have been developed by researchers at the Institute for Research on Poverty at the University of Wisconsin-Madison. These more recent estimates should reflect current state poverty rates more accurately than the official estimates from the 1980 Census. The 1985 estimates are generally more precise for states with large populations than for states with small populations.[2]

In 1985, the incidence of poverty varied dramatically among the states, ranging from an estimated high of 25.1 percent in Mississippi to an estimated low of 6.0 percent in New Hampshire. That is, a resident of Mississippi was more than four times as likely to be poor as a resident of New Hampshire. A number of states had exceptionally high poverty rates: 20 states had poverty rates estimated at greater than 15 percent. In five jurisdictions -- Alabama, Arkansas, the District of Columbia, Mississippi, and West Virginia -- more than one of every five residents was poor, according to the estimates. By comparison, the nationwide poverty rate in 1985 equaled 14.0 percent. (See "Tables," Table A1.)

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2. Christine Ross and Sheldon Danziger, "Poverty Rates by State, 1979 and 1985: A Research Note," *Focus*, Institute for Research on Poverty, Madison, Wisconsin, Fall 1987. Ross and Danziger constructed their estimates from data on Census Bureau computer tapes that were collected as part of the Census Bureau's Current Population Survey.

II. Highlights of State Safety Net Policies

The first four policy areas to be examined here are cash assistance, medical assistance, unemployment insurance, and taxes. In all of these areas, states have wide discretion over policy decisions, leading to widely divergent state policies. In the other three areas to be examined in this chapter -- housing assistance, energy assistance and the WIC program -- federal funding decisions are the primary determinant of the scope of the programs, although states have the option to supplement federal funding.

Throughout this report, the focus is on benefit and income-related programs as distinguished from service programs. For example, the Medicaid program which helps pay for the cost of health care for low-income people is discussed, while programs that provide grants for health care delivery systems are not.

ASSISTANCE BY HOUSEHOLD TYPE

In most states, the extent of government assistance varies sharply by the type of poor household. **Elderly and disabled people** are generally eligible for the most cash and medical assistance; even so, the level of assistance provided often leaves them below the poverty line, and many do not receive Medicaid. Households headed by an elderly or disabled person are also more likely than other households to be eligible for state property tax relief programs.

Although the AFDC and Medicaid programs provide assistance to many poor **single-parent families**, these families are generally eligible for substantially less assistance than elderly and disabled people. Moreover, many of these families (especially those who are working poor families) receive neither cash assistance nor health care coverage.

Two-parent families with an unemployed primary earner generally receive cash and health care assistance similar to single-parent families *if* a state decides to extend AFDC benefits to two-parent families. However, they generally receive far less assistance than single-parent families if a state decides *not* to cover two-parent families under its AFDC program. Two-parent families with a full-time worker are categorically excluded from receiving AFDC benefits.

The safety net is weakest for poor **single people and childless couples** who are neither elderly nor disabled. In some states, some of these people may be eligible for limited cash or health assistance. Often, however, they are ineligible for any cash or health assistance. (They may be eligible for food stamps.)

The variations in assistance programs by type of household reflect, in part, variations in the strength of federal standards. Federal standards (and programs) are strongest for the elderly and disabled and weakest for single people and childless couples who are neither elderly nor disabled. The weaker the federal standards, the more important are state decisions in determining the nature and extent of government assistance for low income households.

CASH ASSISTANCE[3]

Aid to Families with Dependent Children

AFDC is the primary cash assistance program for families with children. States determine the level of benefits and whether two-parent households with an unemployed primary earner are eligible for assistance. The program is funded jointly by the federal and state governments. (On average, states pay for approximately 46 percent of total program costs.)

With no federally-mandated minimum benefit level, AFDC benefit levels tend to be quite low and vary greatly among the states (Table 1).

- In 47 states, the maximum AFDC cash benefit for a family of three with no other income[4] is less than 75 percent of the poverty line. In 32 states, it is below 50 percent of the poverty line.[5]

- Maximum three-person benefit levels range from a low of 15.6 percent of the poverty line in Alabama to a high of 83.7 percent in California.

- Seven states (Alabama, Kentucky, Louisiana, Mississippi, South Carolina, Tennessee, and Texas) provide a single parent with two children and no other income $200 a month or less in AFDC benefits. Two of these states, Alabama and Mississippi, provide $120 a month or less, which is less than 16 percent of the poverty level on an annual basis.

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3. For a general description of cash assistance programs, see Endnote A.

4. A small number of families receive the maximum AFDC benefit level even though they have limited earnings. These are families whose *countable* income used in determining AFDC eligibility -- that is, their income after earnings and child care disregards -- is zero.

5. See "Tables," Table A2 for a description of the "poverty line" used here. Table A3 contains miscellaneous information about state AFDC programs.

Table 1. AFDC Benefits by State

State	Maximum Monthly Benefit for a Three-Person Family, 1987	Maximum Benefits As % of 3-Person 1987 Poverty Line ($9,069)	Inflation-Adjusted Change in Four-Person Maximum Benefit (1970-1987)
Alabama	$118	15.6%	-37.8%
Alaska	749	79.3	-23.9
Arizona	293	38.8	-27.6
Arkansas	202	26.7	-18.5
California	633	83.7	+16.7
Colorado	346	45.8	-38.8
Connecticut	601	79.5	-27.3
Delaware	310	41.0	-33.5
District of Columbia	364	48.1	-36.5
Florida	264	34.9	-20.3
Georgia	263	34.8	-20.2
Hawaii	491	56.5	-25.3
Idaho	304	40.2	-51.3
Illinois	342	45.2	-53.1
Indiana	288	38.1	-21.0
Iowa	381	50.4	-37.6
Kansas	409	54.1	-34.0
Kentucky	197	26.1	-54.9
Louisiana	190	25.1	-26.5
Maine	405	53.6	+ 3.8
Maryland	359	47.5	-24.5
Massachusetts	510	67.5	-35.1
Michigan	427	56.5	-31.4
Minnesota	532	70.4	-28.9
Mississippi	120	15.9	-29.5
Missouri	282	37.3	-13.1
Montana	359	47.5	-35.0
Nebraska	350	46.3	-28.1
Nevada	285	37.7	-18.3
New Hampshire	486	64.3	-37.0
New Jersey	424	56.1	-51.8
New Mexico	264	34.9	-40.4
New York	497	65.7	-39.3
North Carolina	259	34.3	-38.7
North Dakota	371	49.1	-40.4
Ohio	309	40.9	-34.6
Oklahoma	310	41.0	-28.9
Oregon	412	54.5	-23.7
Pennsylvania	382	50.5	-49.0
Rhode Island	479	63.4	-28.9
South Carolina	200	26.5	-20.2
South Dakota	366	48.4	-53.4
Tennessee	159	21.0	-48.5
Texas	184	24.3	-57.7
Utah	376	49.7	-29.1
Vermont	603	79.8	-23.8
Virginia	354	46.8	-46.2
Washington	492	65.1	-34.7
West Virginia	249	32.9	-22.6
Wisconsin	549	72.6	+ 3.5
Wyoming	360	47.6	-41.2
Median State	359	47.5	-31.4

Source: Center compilation based on data from Congressional Research Service.

In the median[6] (or typical) state:

- Benefits for a single parent with two children and no other income equal $359 per month or just 47.5 percent of the poverty line.

Most, but not all, AFDC beneficiaries also receive food stamps (see "Tables," Table A4).[7] The level of food stamp benefits decreases as income from AFDC and other sources increases.

- In the median state, the maximum combined value of AFDC and food stamp benefits for a family of three with no other income equals $559 per month or 74.0 percent of the poverty line.

- In every state except Alaska, the maximum combined value of AFDC and food stamp benefits is below the poverty line.[8]

In most states, the inflation-adjusted value of AFDC benefits has eroded dramatically over time. From 1970 to 1987:

- The maximum benefit for a family of four[9] fell 31.4 percent in the median state. In other words, in half of the states, the maximum benefit level has fallen by 31.4 percent or more since 1970, after inflation is taken into account.

- In 12 states, maximum benefits for a four-person family fell by more than 40 percent.

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6. The "median" or typical state is the state whose level of benefits is exactly in the middle of the distribution of all state benefit levels; that is, half the states offer benefit levels above the levels provided in the median state, and half the states offer benefit levels below the levels provided in the median state.

7. Most types of households that meet federally-prescribed income and asset tests are eligible for food stamp assistance. Food stamp benefit levels are federally set and are the same throughout the continental United States. Benefits and income limits are set higher for Alaska and Hawaii.

8. Computations for the "maximum combined value of AFDC and food stamps" assume that families receive the maximum food stamp shelter deduction allowed under federal law. (Food stamp households can receive a deduction, up to a maximum amount, for shelter costs that are high in relation to their incomes.) In fact, however, the majority of AFDC families do not receive the maximum food stamp shelter deduction. As a result, combined AFDC and food stamp benefits for most AFDC families without any other income are somewhat lower than the levels reflected here.

9. The typical AFDC family is more likely to have three members than four; however, 1970 state AFDC benefit data are most readily available for four-person families. Benefit trends for both family sizes follow each other closely.

- In six states (Idaho, Illinois, Kentucky, New Jersey, South Dakota, and Texas), maximum benefits for a four-person family fell by more than half.

A main reason for the fall in the value of AFDC benefits is that the vast majority of states do not automatically adjust benefits to keep pace with changes in the cost-of-living. Only Alaska, California, Connecticut, and the District of Columbia now index benefits to a measure of inflation. Moreover, since enactment of legislation requiring indexing of AFDC benefits occurred only recently in Alaska, Connecticut, and the District of Columbia, the inflation-adjusted value of maximum AFDC benefits in these jurisdictions, too, was sharply lower in 1987 than in 1970.

Another reason that AFDC benefits are so low is that many states pay less in benefits than those states themselves have found to be necessary for a basic standard of living in that state. Under the AFDC program, each state establishes an AFDC "standard of need," which is supposed to reflect the amount of income needed for a minimally adequate standard of living in that state. However, states are not required to pay benefit levels equal to their need standards. Although many state need standards are set well below the poverty line, a majority of the states fail to pay benefits equal to their own standards (see "Tables," Table A5).

- Thirty-one states do not meet their own standards of need.

- Ten states have maximum benefit levels that are *less than half* of their own need standards.

Not surprisingly, with AFDC benefit levels generally low, AFDC income eligibility limits are also low. Large numbers of families who have incomes below the poverty line fail to qualify for AFDC because their incomes exceed the AFDC limits (see "Tables," Table A6).

- In the median state, a mother with two children who earns just $426 a month (or $5,112 a year on an annualized basis) is ineligible for AFDC unless she incurs child care costs.[10] This income eligibility limit is equal to 56.4 percent of the poverty line.

- If such a mother incurs child care costs of $106 per month (the average amount incurred for those AFDC families who have child care expenses), she and her children still will be ineligible for AFDC if she

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10. The income limits referred to here are the income limits used to determine eligibility when a family applies for AFDC. If a member of family already receiving AFDC has a job or the family increases its earnings, its income can -- during the family member's first year on the job -- rise to somewhat higher levels than those shown here before it is removed from the program. The difference in income limits is only significant, however, during the first four months on the job. From the fifth through twelfth months, the income limit will be only $30 a month above the levels used here. This $30-a-month raises the AFDC income limits above the amounts reflected here by an amount equal to four percent of the poverty line for a family of three.

earns more than $532 a month ($6,384 a year), just 70.4 percent of the poverty line.

- In five states (Alabama, Arkansas, Kentucky, Louisiana, and Texas) a working mother and two children with average child care costs are ineligible for AFDC if the mother's income is equal to half of the poverty line.

AFDC-Unemployed Parent Program

Under the AFDC-UP program, states have the option to extend AFDC cash benefits to two-parent families in which the primary wage-earner works less than 100 hours per month.

- Twenty-eight states have AFDC-UP programs; 23 do not.

- Approximately half of the 23 states that do not have AFDC-UP programs are located in the South.

In states without AFDC-UP programs, most two-parent families are automatically ineligible for benefits regardless of how poor they are.[11] A two-parent family in these states that has income below the state's AFDC income limits may not receive benefits, while a single-parent family with identical income will qualify.

Even in states that do have AFDC-UP programs, many poor two-parent families are ineligible. Federal rules require that two-parent families be ineligible for AFDC benefits, no matter how poor they are, if their primary earner works 100 hours or more in a month. As a result, a two-parent family with a full-time worker that is just as poor as a single-parent family (or as a two-parent family with a part-time worker) will not be eligible for AFDC-UP benefits. This restriction helps account for the fact that in states with AFDC-UP, only a relatively small number of two-parent families are served.

- In 1986, AFDC-UP families made up only 9.3 percent of the total AFDC caseload in the 28 states with AFDC-UP programs. In 15 of these states, AFDC-UP families made up less than seven percent of the state's caseload.

AFDC Emergency Assistance

Federal law permits states to provide short-term AFDC emergency assistance to families with children if the family is threatened by broadly defined natural or domestic emergency situations including imminent homelessness and natural disasters. States can provide cash or medical benefits or make direct payments to vendors for emergency services to single-parent or two-parent families that qualify under state guidelines. However, such assistance is very limited.

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11. Two-parent families with children in which one parent is "incapacitated" are eligible for regular AFDC benefits in all states if they meet their state's income and assets eligibility requirements.

- Some 26 states provide AFDC emergency assistance benefits. The other 25 states do not. In these 25 states, some poor families with children may be ineligible for cash assistance when confronted with an emergency situation.

Supplemental Security Income

The Supplemental Security Income (SSI) program is the primary cash assistance program for the elderly and disabled poor. Eligibility for the basic SSI program is based solely upon federal income and asset tests. Unlike AFDC benefit levels, the basic SSI payment level is set nationally and adjusted each year for inflation. The federal benefit level falls below the poverty line.

- For households with no other income, the basic federal SSI payment in 1987 is $340 a month ($4,080 a year) for an individual and $510 a month ($6,120 a year) for a couple. These figures are equal to 74.8 percent and 88.9 percent of the respective poverty lines for an elderly individual and an elderly couple (see "Tables," Table A7).

- These estimates of SSI benefits as a percentage of the poverty line are based on the poverty line for *elderly* households. The poverty lines established by the Census Bureau for one-person and two-person elderly households are lower than the poverty lines for all other one-person and two-person households. For *disabled* people who are not elderly, therefore, the applicable poverty lines are somewhat higher. For these people, the federal SSI payment equals just 68.9 percent of the estimated poverty line for an individual and 80 percent of the poverty line for a couple.

States may choose to supplement the basic federal payment for some or all SSI recipients. Even when supplemented, however, SSI benefits generally fail to lift elderly and disabled recipients out of poverty.

- Twenty-seven states supplement the basic federal SSI benefit; 24 states do not.

- In 23 of the 27 states that provide a supplement, the maximum combined federal and state SSI benefits for an elderly individual still fall below the poverty line. For elderly couples, maximum combined benefits fall below the poverty line in 14 of these states.

- The value of state supplements ranges from $2 per month for an individual in Oregon to $292 per month in Alaska. In six jurisdictions,[12] supplements are $15 or less per month.

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12. These are the District of Columbia, Hawaii, Maine, Oregon, South Dakota, and Utah.

Table 2. States That Do Not Supplement SSI

Alabama	Indiana	Mississippi	Ohio
Arizona	Iowa	Missouri	South Carolina
Arkansas	Kansas	Montana	Tennessee
Delaware	Kentucky	New Mexico	Texas
Florida	Louisiana	North Carolina	Virginia
Georgia	Maryland	North Dakota	West Virginia

Only California automatically indexes supplemental SSI benefits to inflation. The inflation-adjusted value of supplemental benefits in most other states has declined sharply over time.

- In the median state of those states that have provided an SSI state supplement from 1974 (when the SSI program began operation) to the present, the value of the SSI state supplement has fallen by 47.5 percent, after adjustment for inflation.

SSI recipients may also receive food stamps. However, in the typical state, an elderly or disabled individual who has no other income except maximum SSI benefits and who also receives food stamps[13] has a total benefit package that still falls 16 percent below the poverty line.

General Cash Assistance

Some states have general assistance (or general relief) programs that provide cash assistance to some categories of poor individuals or families who do not qualify for AFDC or SSI (such as single individuals or childless couples who are not elderly or disabled). No federal funds are provided for these programs and no federal standards apply. States can elect to have a fairly extensive program, a limited program, or no program at all.

As a result, there is no single program model prevailing at the state level. In some states, there are general assistance programs in which eligibility and benefit levels are prescribed by the state and apply statewide. In other states, there are county-run programs where the basic eligibility and benefit standards are set locally. In still other states, there are no general assistance programs. General assistance programs are usually very restrictive. Eligibility is often narrowly defined and the level of assistance is generally quite low (see Table 3).

- Some 21 states have state general assistance programs, but 13 of these states provide assistance only to disabled or elderly people (primarily low-income disabled people who are waiting for their SSI applications to be processed).

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13. The food stamp benefit level used here assumes the recipient household qualifies for the average level of deductions received by food stamp households.

Table 3. Types of General Assistance Programs, 1987

No Program (11 states)

Alabama	Louisiana	Oklahoma
Arkansas	Mississippi	South Carolina
Florida	North Carolina	Texas
Kentucky	North Dakota	

Emergency Assistance Program Only (3 states)

Alaska
Vermont
West Virginia

County-Based General Assistance Program (16 states)*

California**	Iowa	South Dakota
Colorado	Maine**	Tennessee
Georgia	Montana**	Virginia
Idaho	Nebraska	Wisconsin**
Illinois	Nevada	
Indiana	New Hampshire	

State Programs for Disabled Only (13 states)

Arizona	Maryland	Washington
Delaware***	Missouri	Wyoming***
District of Columbia	New Mexico	Utah
Hawaii***	Oregon	
Kansas***	Rhode Island	

State Program Extending Beyond Disabled and Elderly (8 states)

Connecticut	Minnesota	Ohio
Massachusetts	New Jersey	Pennsylvania
Michigan	New York	

Source: Center on Budget and Policy Priorities survey.

*In some of these states, such as Colorado, Georgia, and Tennessee, the programs are of significant scope in only a few counties, and a number of counties lack programs altogether.

**California, Maine, Montana, and Wisconsin have statewide requirements that counties must follow. However, in California and Montana, counties are required only to have a program; there are no state-prescribed eligibility or benefit requirements.

***Also includes elderly.

- In the eight states with state programs that provide general assistance to people who are not disabled or elderly, maximum benefits for a single person range from 28.2 to 68.0 percent of the poverty line, equalling 44.2 percent of the poverty line in the median state (see "Tables," Table A8). In some of these eight states, eligibility is restricted to certain categories of very needy households, such as those with no assets.

- In 16 states, counties or other local jurisdictions establish and operate their own general assistance programs. Some counties within these states offer fairly broad assistance, while other counties provide little assistance or have no program.

- Fourteen states have no state or local general assistance programs whatsoever.

- In three of the states with no general assistance programs, there is a state emergency assistance program. However, emergency assistance programs tend to be even more limited in scope than general assistance programs. For example, Vermont's emergency assistance program serves only victims of catastrophic events such as floods or fires.

In states without general or emergency assistance programs, impoverished single people and childless couples who are neither elderly nor disabled are not eligible for any cash assistance, except possibly for unemployment insurance. In many such states, the unemployment insurance program is itself rather restrictive and provides only limited aid. In half of those states lacking any general or emergency assistance program, fewer than 28 percent of the unemployed received unemployment insurance in 1986.

Moreover, nine of the 11 states without general or emergency assistance programs also lack AFDC-UP programs. In these states, two-parent families in poverty are generally ineligible for any form of federal, state, or local government cash assistance, with the possible exception of unemployment insurance.

Single persons and childless couples who are neither elderly nor disabled can be eligible for food stamps. However, food stamp benefit levels are low, since the program was intended as a supplement to low earnings or to cash benefit programs, not as a replacement for them. In the continental United States, households without any income can receive maximum monthly food stamp benefits of $87 for an individual and $159 for a couple, or 18.0 percent and 25.8 percent of the respective poverty lines for these households. (If these households have other sources of income -- such as modest earnings, general assistance or unemployment insurance benefits -- they may still qualify for food stamps, but the benefit levels will generally be lower.)

MEDICAL ASSISTANCE

The Medicaid program provides health insurance for low-income households. Subject to federal requirements, states administer the programs and have substantial discretion in determining who is eligible for coverage. This discretion is partially related to state decisions about AFDC and SSI benefits, because beneficiaries from either program are usually automatically eligible for Medicaid. But states also have a wide range of choices that can expand eligibility beyond AFDC and SSI beneficiaries. Furthermore, states have substantial discretion in deciding which medical services Medicaid will cover. Since the costs of Medicaid are shared by the federal and state governments (on average, states pick up 44 percent of the costs), states have some incentive to restrict Medicaid coverage and service options.

In part as a result of the restrictiveness of state decisions, a majority of the poor nationwide are left outside of Medicaid. Census data show that in 1985, only about two-fifths of the nation's poor were covered by Medicaid.

Families with Children

Families receiving AFDC or AFDC-UP are automatically covered by Medicaid.[14] However, many poor families (especially families that remain in poverty even though one or more of their members are working) do not receive AFDC or AFDC-UP. States have a number of options under which they are allowed -- but not required -- to extend Medicaid coverage to many of those families and their children who are poor but are not on AFDC or AFDC-UP.

One important option involves **coverage of two-parent families**. As noted above, 23 states lack AFDC-UP programs. However, the absence of AFDC-UP in these states does *not* preclude them from providing Medicaid coverage to poor two-parent families with an unemployed primary earner. Under federal law, states without AFDC-UP programs have the option to extend Medicaid to two-parent families that would qualify for AFDC-UP if the state had such a program.[15]

- Only five of the 23 states without AFDC-UP have elected this Medicaid option. These states are Florida, Georgia, Kentucky, Louisiana, and Oklahoma.

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14. Some families that meet the AFDC income and assets limits but that do not receive AFDC benefits are eligible for Medicaid. For example, families that meet the AFDC income and assets limits but that do not receive AFDC benefits because they would qualify for an AFDC benefit of less than $10 a month, are eligible for Medicaid. (Under federal law, if a family would qualify for an AFDC benefit of less than $10 a month, it is not provided any AFDC payment.)

15. It should be noted that under federal law, all states are *required* to extend Medicaid to some members of poor two-person families even if the state lacks an AFDC-UP program. States must provide Medicaid coverage to all pregnant women and to all children below the age of seven who were born after September 30, 1983 and who live in families that have income below the state's Medicaid income limits and meet other Medicaid eligibility criteria.

- The other 18 states without AFDC-UP have declined to extend Medicaid to two-parent families who are poor enough to meet the state's AFDC eligibility limits. These states are Alabama, Alaska, Arizona, Arkansas, Colorado, Idaho, Indiana, Mississippi, Nevada, New Hampshire, New Mexico, North Dakota, South Dakota, Tennessee, Texas, Utah, Virginia, and Wyoming.

Federal law provides several other options under which states may provide Medicaid to certain categories of poor children and pregnant women whose families do not receive AFDC or AFDC-UP. One such option is known as the **Ribicoff option** (after former U.S. Senator Abraham Ribicoff of Connecticut who sponsored it). Under the Ribicoff option, states can extend Medicaid coverage to all children under 21 who live in families with incomes below the state's Medicaid income eligibility limits. (For families with children, state Medicaid income limits are usually set at or modestly above the income limits that determine eligibility for AFDC.) If a state elects this option, children from both single-parent and two-parent families are covered.

- Thirty-two states have elected the Ribicoff option and extend Medicaid coverage to all children living in families that meet the state's Medicaid eligibility limits.[16] The other 19 states have not elected this option; in these states, most poor children who live in families not receiving AFDC do not qualify for Medicaid.

Another option available to states is known as the **SOBRA option**. ("SOBRA" stands for the Sixth Omnibus Budget Reconciliation Act, the federal legislation passed in 1986 that gave states this new option.) Under the SOBRA option, states can extend Medicaid coverage to all pregnant women and young children not on AFDC or AFDC-UP who live in families with incomes less than or equal to the poverty line.[17] Young children (and pregnant women) from both single-parent and two-parent families are covered if a state elects this option.[18]

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16. States electing the Ribicoff option may cover children up to age 18, age 19, age 20, or age 21. Ten of these 32 states extend Medicaid coverage only to children up to age 18. All but one of the remaining 22 states provides coverage up to age 21.

17. See Endnote B for discussion of the poverty line cutoffs used to determine eligibility under SOBRA.

18. Currently, under the SOBRA option, states can extend Medicaid eligibility to all poor children up to the second birthday. As of October 1, 1988, states will have the option to extend Medicaid coverage to all children under age five who live in families with incomes up to the poverty guidelines. Over time, the age limit will be increased further until (by October 1, 1991) states will have the option to extend Medicaid coverage to all poor children under age eight. (Technically, the option applies to all children born after September 30, 1983, so that by October 1, 1991, the option will extend up to a child's eighth birthday.)

[continued on following page]

- As of January 1, 1988, some 25 states had elected the SOBRA option, while 26 had not.[19]

Still another very significant option permits states to establish a **Medically Needy** component as part of their Medicaid programs. Under the Medically Needy component, a family whose countable income exceeds the state's Medicaid income eligibility limits, but whose medical expenses are so large that its remaining income *after medical expenses are deducted* is below the eligibility limits, becomes eligible for Medicaid. In addition, the Medically Needy option allows states to set Medicaid income limits that are up to one-third higher than the state's maximum benefit for AFDC.[20]

- Thirty-six states have a Medically Needy program; 14 states do not.[21]

In addition, legislation enacted in 1987 allows states to provide Medicaid coverage to pregnant women and infants (children less than one year old) who live in families with incomes less than 185 percent of the poverty guidelines.

19. Even though California has not adopted the SOBRA option directly, it is counted as electing the option because its Medicaid income eligibility limits are above the poverty guidelines. In Ohio and Illinois, the state legislatures have passed laws authorizing a SOBRA program, but have not yet provided funding for it. As a result, SOBRA has not been implemented in these states and they are *not* counted as having elected the SOBRA option. In addition, the Governor of Alabama is expected to implement the SOBRA option in July 1988, but the state is *not* yet counted as having elected the SOBRA option.

The state of Washington has adopted SOBRA but has set the SOBRA income limit at 90 percent of the poverty line. (States are allowed to set SOBRA income limits anywhere between their Medicaid income eligibility limits and the poverty line.) In all other SOBRA states, the SOBRA income limits will equal 100 percent of the poverty line by the end of 1988.

Minnesota has waived the assets test under the SOBRA option, thus slightly expanding Medicaid eligibility. However, it has not taken the more expansive step of raising income eligibility for Medicaid by adopting the SOBRA income limits. Because the SOBRA Medicaid expansion elected by Minnesota is so small, and because Minnesota has not adopted the SOBRA option to raise the income limits for pregnant women and young children, Minnesota is *not* counted here as a SOBRA state.

20. For a discussion of the relationship between Medically Needy programs and Medicaid income eligibility limits, see Endnote C.

21. Arizona is not included in either category; it has a special state Medically Needy program that differs from the programs in other states.

An examination of all states, the options they have selected, and the Medicaid income eligibility limits they have set shows that large numbers of poor families with children remain ineligible for Medicaid in many states (see Table 4).

- In the median state, the Medicaid income eligibility limit for a three-person family equals 55.7 percent of the poverty line. Only one state (California) has set its income limit at or above the poverty line. In 10 states, the income limits are below 40 percent of the poverty line.

- Some states have elected few if any of the Medicaid options, with the result that Medicaid eligibility is severely restricted in these states. Seven states have adopted *none* of the following key Medicaid options: coverage of two-parent families, coverage of Ribicoff children, SOBRA coverage of pregnant women and young children, and a Medically Needy program. It is worthy of note that these states are *not* concentrated in the South. In fact, only one of these seven states (Alabama) is in the South. The seven states are: Alabama, Colorado, Idaho, Indiana, Nevada, South Dakota, and Wyoming.

The failure of Medicaid to cover many impoverished families with children is particularly noteworthy since a number of health indices in the United States compare unfavorably with those in other industrialized nations. While other factors also play a role here, it is likely that the lack of health care coverage for substantial numbers of Americans living in poverty contributes significantly to this state of affairs.

- In 1985, the U.S. infant mortality rate equaled 10.6 per thousand births. This rate ranks 19th in the world.

- In some states, the infant mortality rate is particularly high. In 18 states, the infant mortality rate in 1985 was equal to or greater than 11.0 per thousand births (see "Tables," Table A9). Six of these states -- Alabama,[22] Georgia, Illinois, Louisiana, Virginia, and Wyoming -- have not selected the SOBRA option for pregnant women and young children.

The Elderly and Disabled

States also have broad discretion and numerous options regarding which low income elderly and disabled people to cover under Medicaid. Among the options states can chose are: 1) to cover all or only some of their SSI recipients under Medicaid; 2) to establish a Medically Needy program for elderly and disabled

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22. The Governor of Alabama is expected to implement the SOBRA option in July 1988.

Table 4. Medicaid Eligibility for Families, 1987

State	Eligibility Limit As Percentage of Three-Person Poverty Line	Cover Two-Parent Families?	Ribicoff Option?	SOBRA for Children & Pregnant Women?	Medically Needy Program for Families?
Alabama	15.6%	no	no	no	no
Alaska	79.3	no	yes	no	no
Arizona	53.0	no	yes	yes	yes
Arkansas	34.1	no	yes	yes	yes
California	112.5	yes	yes	yes	yes
Colorado	55.7	no	no	no	no
Connecticut	82.7	yes	yes	yes	yes
Delaware	41.0	yes	no	yes	no
District of Columbia	64.2	yes	yes	yes	yes
Florida	47.5	yes	yes	yes	yes
Georgia	46.3	yes	yes	no	yes
Hawaii	56.5	yes	no	no	yes
Idaho	40.2	no	no	no	no
Illinois	60.6	yes	yes	no	yes
Indiana	38.1	no	no	no	no
Iowa	57.3	yes	yes	no	yes
Kansas	61.5	yes	yes	no	yes
Kentucky	35.3	yes	no	yes	yes
Louisiana	30.8	yes	no	no	yes
Maine	73.8	yes	yes	no	yes
Maryland	55.2	yes	yes	yes	yes
Massachusetts	87.1	yes	yes	yes	yes
Michigan	71.4	yes	yes	yes	yes
Minnesota	93.8	yes	yes	no	yes
Mississippi	48.7	no	yes	yes	no
Missouri	37.3	yes	yes	yes	no
Montana	54.0	yes	yes	no	yes
Nebraska	59.5	yes	yes	no	yes
Nevada	37.7	no	no	no	no
New Hampshire	64.3	no	no	no	yes
New Jersey	74.9	yes	yes	yes	yes
New Mexico	34.9	no	no	yes	no
New York	81.6	yes	yes	no	yes
North Carolina	46.3	yes	yes	yes	yes
North Dakota	57.6	no	yes	no	yes
Ohio	40.9	yes	yes	no	no
Oklahoma	62.3	yes	yes	yes	yes
Oregon	72.6	yes	no	yes	yes
Pennsylvania	56.2	yes	yes	yes	yes
Rhode Island	83.8	yes	yes	yes	yes
South Carolina	51.3	yes	yes	yes	no
South Dakota	48.4	no	no	no	no
Tennessee	46.7	no	yes	yes	yes
Texas	35.3	no	yes	no	yes
Utah	91.7	no	yes	no	yes
Vermont	99.2	yes	yes	yes	yes
Virginia	47.4	no	no	no	yes
Washington	76.1	yes	no	yes	yes
West Virginia	38.4	yes	no	yes	yes
Wisconsin	84.8	yes	yes	no	yes
Wyoming	47.6	no	no	no	no

Source: Center on Budget and Policy Priorities, Children's Defense Fund, House Ways and Means Committee, and the National Governors Association.

people;[23] and 3) to elect another SOBRA option, under which elderly and disabled people not on SSI can be covered by Medicaid if their incomes fall below the poverty line. The selection of the latter two options can be especially important since only about one of every four elderly poor households receives SSI.

- Fourteen "209-B" states fail to extend Medicaid eligibility to all of their SSI recipients.[24] This practice constitutes a major exception to the general rule that AFDC or SSI recipients are automatically eligible for Medicaid.[25] These 14 states are: Connecticut, Hawaii, Illinois, Indiana, Minnesota, Missouri, Nebraska, New Hampshire, North Carolina, North Dakota, Ohio, Oklahoma, Utah, and Virginia.

- Thirty-four states have a Medically Needy program that covers elderly and disabled people; 16 states do not.[26]

- Only four jurisdictions -- the District of Columbia, Florida, New Jersey, and Rhode Island -- have selected the SOBRA option under which elderly and disabled people who are not on SSI but are still below the poverty line are covered under Medicaid.[27]

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23. The Medically Needy program for elderly and disabled people works in a fashion similar to the Medically Needy program for families with children. Under the Medically Needy program, an elderly or disabled household whose countable income exceeds the state's Medically Needy income eligibility limits, but whose medical expenses are so large that its remaining income after medical expenses are deducted falls below the eligibility limits, becomes eligible for Medicaid.

24. These 14 states are called "209-B" states after the section of federal law that permits states to adopt Medicaid eligibility criteria that are more restrictive than the criteria used for SSI eligibility.

25. Another exception applies to some states with state SSI supplements. In 1986, of the 27 states that provided state SSI supplements, only the District of Columbia, Nevada, Oklahoma, South Dakota, Utah and Wyoming decided *not* to extend Medicaid eligibility to elderly people who received only the state SSI supplement.

26. Arizona has a special state Medically Needy program that differs from the Medically Needy program in other states; Arizona is not included here. Two states, Georgia and Texas, have a Medically Needy program for families with children but not for the elderly and disabled. In the 34 states with a Medically Needy program for elderly and disabled people, the median income eligibility limit for an elderly individual is 78 percent of the poverty line.

27. Under the SOBRA option, states may set income limits up to the poverty line, but they can also set income limits below the poverty line. In Florida, elderly and disabled people not on SSI are eligible if their incomes fall below 90 percent of the poverty line; in the District of Columbia, New Jersey, and Rhode Island, elderly and disabled people with incomes up to the poverty line are covered.

State Medicaid income eligibility thresholds for the elderly and disabled vary widely (and depend to some degree on whether the state pays SSI supplements, whether the state has a Medically Needy program, and whether the state has elected the SOBRA option). But in total, only eight jurisdictions (Alaska, California, Connecticut,[28] the District of Columbia, Massachusetts, New Jersey, Rhode Island, and Vermont) have a Medicaid income eligibility threshold for elderly and disabled individuals equal to or above the poverty line. In the other 43 states, Medicaid income limits for elderly and disabled people are set below the poverty line, rendering ineligible some of the elderly and disabled poor (see "Tables," Table A10).

Census data show that nationwide only about one-third of the elderly poor are covered by Medicaid.

Medicaid Service Options

Another set of key Medicaid decisions made by the states are decisions concerning which medical services to cover. These decisions affect both families with children and elderly and disabled people.

While the federal government requires that certain medical services be covered for Medicaid recipients, the states themselves determine whether none, some, or all of 32 other medical services and items (such as emergency hospital services, dentures, and eyeglasses) are covered. In 1986:

- In the median state, 21 of these 32 optional services were covered. Coverage varied widely among states. For example, Wyoming covered just nine of the optional services, Mississippi just 10 (see "Tables," Table A11).

- In seven states (Georgia, Louisiana, Missouri, North Carolina, Oklahoma, Rhode Island, and Wyoming), Medicaid did not pay for emergency hospital services.

- In 10 states, Medicaid did not cover dental services; in 15 states, it did not cover dentures.

- In six states (Delaware, Idaho, Pennsylvania, South Dakota, Virginia, and Wyoming), Medicaid did not pay for eyeglasses for poor children, for elderly or disabled people, or for other Medicaid recipients.

Singles and Childless Couples

Poor single people and childless couples who are neither elderly nor disabled are generally ineligible for Medicaid. These households may receive some health care assistance through local charities or state or county programs for the indigent, but often they receive little or no health care assistance at all.

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28. Connecticut, however, is one of the 14 "209-B" states that does not extend Medicaid to all of its SSI recipients.

OTHER PROGRAMS AND POLICIES

Unemployment insurance, low income housing programs, the low income energy assistance program, and the Supplemental Food Program for Women, Infants, and Children (known as the "WIC" program), all have substantial effects on the poor. So do the tax policies set by states.

States have wide leeway in establishing eligibility guidelines and benefit levels for the unemployment insurance program and can set up their tax systems as they choose. In the other three areas mentioned above, federal decisions about the level and distribution of funding are the primary determinants of the adequacy of the programs in a state. States can, however, choose to supplement the federal efforts in these three areas.

Unemployment Insurance

While the federal government sets broad guidelines for the basic unemployment insurance program, most of the key decisions concerning eligibility criteria and benefit levels are made by the states. For example, states determine how long workers must have been employed and how much workers must have earned before they are eligible for unemployment benefits. In recent years, many of the states have tightened eligibility requirements. In addition, the federal government severely tightened eligibility requirements for the program that provides additional weeks of unemployment insurance to the long-term unemployed.

Partly as a result of these retrenchments, the percentage of unemployed workers receiving unemployment insurance benefits has fallen to a new record low in each of the past three years. Fewer than one of every three jobless workers now receive unemployment insurance benefits in an average month.[29]

- In 26 states, fewer than one of every three unemployed people received unemployment insurance benefits in 1986. In only three states did more than half of the unemployed receive benefits (see "Tables," Table A12).

- In 11 states, fewer than one of every four unemployed people received unemployment insurance benefits in 1986.

- In 39 states, the percent of the unemployed receiving unemployment insurance was lower in 1986 than in 1979, years at similar points in the economic cycle (see "Tables," Table A13).

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29. Nationwide, the percentage of unemployed people receiving unemployment insurance benefits fell to an historic low of 31.5 percent in 1987, breaking the previous historic low of 32.7 percent in 1986. By contrast, in 1978, when the unemployment rate was similar to its 1987 level, the percentage of the unemployed receiving unemployment benefits was 43 percent. In addition, the coverage rate was 50.4 percent in 1980 and 75.5 percent in 1975, although these were recession years when coverage rates generally are somewhat higher.

Even in states with high unemployment rates, only a small proportion of the unemployed received benefits.

- Louisiana had the highest state unemployment rate in the nation in 1986 (13.1 percent), but just 36.1 percent of its unemployed received benefits.

- West Virginia had the second highest unemployment rate (11.8 percent), but only 27.1 percent of its unemployed received benefits.

- In Texas, Ohio, and Michigan -- all very populous states -- the unemployment rate was between eight and nine percent, but the percentage of unemployed persons receiving unemployment insurance ranged only from 23.0 percent in Texas to 28.1 percent in Ohio and 28.5 percent in Michigan.

The erosion of the unemployment insurance system is of particular significance for poor individuals and families in states where the safety net is limited in other ways as well (see Table 5).

- In 17 of the 26 states in which fewer than one of every three of the jobless received unemployment insurance benefits in 1986, there is no AFDC-UP program for poor two-parent families with an unemployed worker.

- In 24 of these 26 states, there is no state general assistance program covering impoverished people who are neither elderly nor disabled.

As a result, in many of the states with especially low unemployment insurance coverage, unemployed single people as well as childless couples or two-parent families with an unemployed worker are unlikely to receive cash assistance from any level of government, no matter how poor they may be.

State Taxes

Examinations of government anti-poverty policies are incomplete if they do not examine the tax burdens placed on those who are poor. Taxes reduce the income that poor households have to spend on rent, food, heat, and other necessities.

State and local tax burdens on low-income households are substantial. Even before the federal Tax Reform Act of 1986, state and local taxes constituted a significantly heavier burden on the poor than did federal taxes. One recent study of the tax system in two states found that even before federal tax reform, poor families in these states paid 10 times as much in state and local income and sales taxes and local property taxes as they paid in federal income and payroll taxes.

State and local tax systems are generally burdensome for low income households because these tax systems are regressive. In virtually every state, state and local taxes consume a larger percentage of the income of low and moderate income people than of the income of more affluent people.

Table 5. Cash Assistance Coverage in States Where Fewer Than One-Third of Unemployed Receive Unemployment Insurance

	Unemployment Insurance Coverage (1986)	AFDC-UP?	State General Assistance for Nonelderly and Nondisabled?
Alabama	23.6%	no	no
Arizona	23.0	no	no
Arkansas	29.7	no	no
Colorado	26.7	no	no
Florida	18.3	no	no
Georgia	25.1	no	no
Illinois	30.4	yes	no
Indiana	24.4	no	no
Iowa	29.5	yes	no
Kentucky	24.5	no	no
Michigan	28.5	yes	yes
Mississippi	23.4	no	no
Montana	31.9	yes	no
Nebraska	32.4	yes	no
New Hampshire	22.8	no	no
New Mexico	27.5	no	no
North Carolina	29.5	yes	no
Ohio	28.1	yes	yes
Oklahoma	27.6	no	no
South Carolina	28.3	yes	no
South Dakota	21.0	no	no
Tennessee	24.7	no	no
Texas	23.0	no	no
Utah	31.7	no	no
Virginia	16.6	no	no
West Virginia	27.1	yes	no

Source: Compiled by Center on Budget and Policy Priorities from various sources.

To ascertain how regressive and burdensome state and local tax codes are on the poor in a particular state, a number of factors can be examined. These include the extent to which a state raises its revenues through income taxes (in most states, income taxes are the only major source of taxation that is progressive rather than regressive), whether states impose income taxes on households below the poverty line, how high state and local sales tax rates are, whether food and utilities are exempted from the sales tax, whether the state has a sales tax relief program for poor people, and whether the state provides property tax relief to its low income population.

In 1986, approximately 38 percent of all state tax revenues were collected from individual and corporate income taxes. About half of state tax revenues were collected from general and selective sales taxes, which tend to be highly regressive (see "Tables," Table A14). By contrast, the federal government collects more than half -- about 56 percent -- of its revenue from individual and corporate income taxes.

Table 6. Sources of State Tax Revenues, 1986

Individual Income Tax	29.6%
Corporation Net Income Tax	8.1
General Sales Taxes	32.8
Selective Sales Taxes	16.5
License Taxes	6.5
Other Taxes	6.6

Source: U.S. Department of Commerce.

Income Taxes

As noted, individual and corporate income taxes tend to be the one major form of state taxation that is *not* regressive, but many states collect little revenue from these sources.

- Some 10 states (Alaska, Connecticut, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming) have no broad-based individual income taxes.[30]

- Of the 41 states with a broad-based individual income tax, 26 collected less than one-third of their tax revenue from this source in 1986. Eight states (Arizona, Louisiana, Mississippi, New Jersey, New Mexico, North Dakota, Oklahoma, and Pennsylvania) collected less than one-fourth.

- Nevada, Texas, Washington, and Wyoming did *not* have a corporate income tax; only seven states collected more than 10 percent of their tax revenue from this source.

- Even when individual and corporate income taxes are combined, just six states collected more than half of their revenue from these sources.

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30. Alaska and Wyoming both collect substantial portions of their revenues from severance taxes on natural resource production. These severance taxes are not directly burdensome to the poor. Connecticut, New Hampshire, and Tennessee impose taxes on "unearned" income such as dividends, interest, and/or capital gains, but less than 10 percent of state tax revenue is collected through such taxes in each of these states.

Table 7. States Where Four-Person Families With $10,000 Incomes Pay More Than $100 in State Income Taxes, 1988

	Income Level At Which Four-Person Family Begins Owing Tax	State Income Tax for Four-Person Family With $10,000 Income*
Alabama*	$4,400	$156
Arkansas	5,600	130
Hawaii	5,900	116
Illinois	4,000	150
Indiana*	4,000	204
Iowa	7,500	144
Kansas	6,000	115
Kentucky*	4,300	281
Michigan*	7,200	129
Montana	6,500	109
New Jersey	4,000	120
North Carolina	4,300	252
Pennsylvania*	8,000	211

Source: Calculated by Center on Budget and Policy Priorities.

*In some of these states, notably Alabama, Indiana, Kentucky, Michigan and Pennsylvania, poor households with earnings may also be subject to substantial *local* income or wage taxes. For example, Philadelphia has an especially high local wage tax, equal to 4.96 percent of wages without any deductions or exemptions; thus, a four-person family in Philadelphia with earnings equal to $10,000 would pay $496 in local wage taxes in addition to $211 in state income taxes. The total state and local income tax burden for such a family would equal $707.

Moreover, a majority of the states that have individual income taxes have failed to follow the federal lead of removing working poor families from the income tax rolls. In some of those states, working poor families must pay substantial amounts of individual income tax.

- In 28 of the 41 states with income taxes, some working families of four with incomes below the poverty line must pay state income tax in 1988 (see "Tables," Table A15).

- In 10 states (Alabama, Arkansas, Hawaii,[31] Illinois, Indiana, Kansas, Kentucky, New Jersey, North Carolina, and Virginia), the income level

31. In Hawaii, these levels do not take into account credits that low-income households normally would receive and that would raise the tax threshold and reduce the tax liability of these households.

at which working families of four must begin paying income taxes is set below *half* of the poverty line.

- In 21 states, the income level at which these families begin to owe income tax is set below 75 percent of the poverty line.

- In addition, there are 13 states in which a four-person family earning $10,000 (which is more than $2,200 below the poverty line in 1988) must pay more than $100 in state income taxes.

General Sales Tax

Sales taxes are regressive because the poor generally spend large portions of their incomes on items subject to sales tax, while more affluent people generally spend a somewhat smaller portion of their incomes on consumable items (and often are able to save or invest some of their incomes). Forty-six states have a general sales tax (see Table 8).

- Among the states with a general sales tax, the median state sales tax rate is five percent. Nine states have sales tax rates of six percent or greater.[32]

- Twenty-three states collected more than one-third of their state tax revenues from the general sales tax in 1986. Florida, Hawaii, Mississippi, Tennessee, and Washington collected the majority of their state tax revenues from the general sales tax.

The burden of the sales tax on poor households can be partially relieved if a state exempts essential purchases from taxation. Even with these exemptions, however, the sales tax usually remains highly regressive.

- In 1986, some 29 states exempted most grocery store food purchases from taxation, but 17 did not. Thirty-two states exempted utilities, but 14 did not.

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32. These jurisdictions are Connecticut (7.5 percent), the District of Columbia (6.0), Minnesota (6.0), Mississippi (6.0), New Jersey (6.0), Pennsylvania (6.0), Rhode Island (6.0), Texas (6.0), and Washington (6.5). In addition, in 29 states, some or all localities impose local sales taxes. When local and state sales taxes are both considered, the combined sales tax rate exceeds six percent in a larger number of jurisdictions.

Table 8. State Sales Tax, Major Features, 1987

	Sales Tax Rate	Exemptions: Consumer Electric and Gas Utilities	Exemptions: Food	Low Income Sales Tax Credit
Alabama	4.0%	no	no	no
Alaska	no sales tax			
Arizona	5.0	no	yes	no
Arkansas	4.0	yes*	no	no
California	4.8	yes	yes	no
Colorado	3.0	yes	yes	no
Connecticut	7.5	yes	yes	no
Delaware	no sales tax			
District of Columbia	6.0	no	yes	no
Florida	5.0	yes	yes	no
Georgia	3.0	no	no	no
Hawaii	4.0	no	no	yes
Idaho	5.0	yes	no	yes
Illinois	5.0	no	yes	no
Indiana	5.0	no	yes	no
Iowa	4.0	no	yes	no
Kansas	4.0	yes	no	yes
Kentucky	5.0	yes	yes	no
Louisiana	4.0	yes	yes	no
Maine	5.0	yes	yes	no
Maryland	5.0	yes	yes	no
Massachusetts	5.0	yes	yes	no
Michigan	4.0	no	yes	no
Minnesota	6.0	yes	yes	no
Mississippi	6.0	no	no	no
Missouri	4.2	yes	no	no
Montana	no sales tax			
Nebraska	3.5	no	yes	no
Nevada	5.8	yes	yes	no
New Hampshire	no sales tax			
New Jersey	6.0	yes	yes	no
New Mexico	4.8	no	no	yes
New York	4.0	yes	yes	no
North Carolina	3.0	yes	no	no
North Dakota	5.5	yes	yes	no
Ohio	5.0	yes	yes	no
Oklahoma	4.0	yes	no	no
Oregon	no sales tax			
Pennsylvania	6.0	yes	yes	no
Rhode Island	6.0	yes	yes	no
South Carolina	5.0	yes	no	no
South Dakota	5.0	no	no	yes
Tennessee	5.5	yes	no	no
Texas	6.0	yes	yes	no
Utah	5.1	yes	no	no
Vermont	4.0	yes	yes	yes
Virginia	3.5	yes	no	no
Washington	6.5	yes	yes	no
West Virginia	5.0	yes	yes	no
Wisconsin	5.0	yes	yes	no
Wyoming	3.0	no	no	yes
U.S. Median Rate	5.0	---	---	---
Number with provision	46	32	29	7

Source: Advisory Commission on Intergovernmental Relations, *Significant Features of Fiscal Federalism*, 1987; National Association of State Budget Officers and National Governor's Association, *Fiscal Survey of the States*, September 1987.

*Arkansas is only one of many states where state sales tax exemptions are limited in scope. Arkansas exempts the first 500 kilowatt hours of electricity per month for residential customers whose incomes are not more than $12,000 per year.

There is one additional and very important action states can take to ease the regressivity of sales taxes and provide significant low income sales tax relief. This action consists of establishing a low income sales tax rebate, in which the state provides a rebate check (or a credit against income tax liabilities) to poor households to defray a portion of the sales taxes these households have paid. Low income sales tax rebates generally have only a modest cost. Currently, however, only seven states (Hawaii, Idaho, Kansas, New Mexico, South Dakota, Vermont, and Wyoming) have a sales tax rebate program.[33]

Property Taxes

Property taxes, which comprise nearly $3 of every $4 of *local* taxes raised, tend to be the most burdensome of all taxes on poor households. Both homeowners and renters pay property taxes. Landlords generally pass along most or all of their property taxes to renters in rental charges.

Government efforts to ease the burden of the property tax on low-income households occur primarily at the state level because localities usually cannot afford to ease this burden. The most common form of state low income property tax relief is known as a "circuitbreaker" program.[34] Under most circuitbreaker programs, a low income household is eligible for property tax relief when property taxes exceed a certain percentage of the household's income. Qualifying households are sent a check in the amount of their circuitbreaker benefit.[35]

Circuitbreaker programs can provide relief to low income renters as well as to low income homeowners. In a typical circuitbreaker program, a specified percentage of a poor household's annual rent payments (usually between 15 and 25 percent) is considered to represent property taxes "passed through" to the tenant by the landlord.

Circuitbreakers often provide substantial property tax relief. Typical circuitbreaker benefits are several hundred dollars. However, there are major limitations on most state circuitbreaker programs. These programs are often tightly restricted and not available to many of the poor. The most significant restriction is the practice in many states of limiting the circuitbreaker to the

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33. In South Dakota and Wyoming, the program is limited to the elderly and disabled. Kansas limits the program to elderly and disabled households and families with children. In all of these seven states except Idaho, the sales tax relief program is targeted in whole or in part on low income households.

34. The circuitbreaker's name derives from an analogy to an electrical circuitbreaker that shuts off the flow of electricity when the system becomes overloaded. In a similar fashion, property tax circuitbreakers are designed to provide tax relief when property tax burdens overload those with low incomes.

35. In some states, low-income households that owe state income tax have their circuitbreaker benefit subtracted from their income tax. If any part of the circuitbreaker benefit remains after their income tax liability is reduced to zero, the households are sent a check for the remaining amount.

elderly and disabled. This restriction denies property tax relief to poor families with children and other households with low incomes.

- Thirty-one states have circuitbreaker programs; 20 states do not (see "Tables," Table A16).

- Of the 31 states that have circuitbreakers, 21 restrict eligibility to elderly (or elderly and disabled) households.

- Twenty-five of the 31 states cover both renters and homeowners. However, six states restrict eligibility only to homeowners. All six of these states are also among those that restrict their circuitbreakers to the elderly or disabled. (The six states are Arkansas, Idaho, Nebraska, Ohio, Oklahoma, and South Dakota.)

- Ten states have broad circuitbreaker programs that include those who are not elderly or disabled and that cover both renters and homeowners.[36]

Housing

Federally funded programs are the primary means of government housing assistance for the poor. There are two general types of federal low-income housing programs: publicly owned housing and rental subsidies for low-income households living in private housing. Residents in both the public housing and subsidized rental housing programs generally pay 30 percent of their incomes in rental charges.

Unlike a number of other major low-income assistance programs such as AFDC, SSI, and Medicaid, the housing programs are not entitlement programs. This means that benefits are not automatically provided to all households that apply and are found eligible. Instead, the federal government allocates a fixed amount of money to low-income housing assistance. As a result of funding levels that are low relative to the need, only a small portion of those eligible for housing assistance actually receive benefits. Many urban areas have multi-year waiting lists of poor households who are eligible for assistance but cannot be served due to funding limitations.

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36. These 10 jurisdictions are the District of Columbia, Kansas, Maine, Maryland, Michigan, Minnesota, New York, Oregon, Vermont, and Wisconsin. The Kansas circuitbreaker has an interesting structure: it covers the elderly (defined as age 55 and over), the disabled and families with children. The Maryland circuitbreaker covers homeowner and renters who are elderly or disabled, while householders who are neither elderly nor disabled must be homeowners to qualify. In New York, the maximum circuitbreaker benefit is substantially higher for elderly households than for other low income households. (The maximum benefit is $375 for the elderly, but is only $75 for other low income households.) In Oregon, the maximum benefit is higher for homeowners than for renters.

- In 1983, some 12.7 million renter households were classified by the U.S. Department of Housing and Urban Development as "very low income"[37] (1983 is the latest year for which this figure is available).

- Yet in 1987, federal low-income housing assistance reached a total of no more than 4.2 million households, some of which were not "very low income" households.[38]

- If all households receiving federal housing assistance had been "very low-income," then only 33.1 percent of all very low income renter households nationwide would have received assistance.[39] Since some households getting aid were not "very low-income," the 33.1 percent figure overstates the true percentage of "very low-income" renters actually receiving assistance.

In no state does the level of housing assistance come close to meeting the number of very low-income reater households. Variation among the states is primarily the result of federal allocation decisions, rather than of state decisions.

- In only two states, Alaska and Rhode Island, did the number of households receiving housing assistance in 1985 exceed half of the number of very low-income renters (see "Tables," Table A17).

- In eight states (Arizona, California, Colorado, Florida, Idaho, Oregon, Utah, and Wyoming), the number of households receiving rental assistance totalled less than one-quarter of the number of very low-income renters.

There are some households that are able to secure affordable housing that is not federally subsidized, but they constitute only a modest fraction of the poor households not receiving federal housing assistance. Data compiled by the Low Income Housing Information Service, based on Census reports, show that the number of *all* rental units available nationwide (both subsidized and unsubsidized) that would be affordable for very low income renter households (i.e., that rent for no more than 30 percent of such households' incomes) is only about *half* of the number of very low income renter households in the nation. (This measure uses the affordability standard developed by the U.S. Department of Housing and Urban Development; the Department considers housing affordable for a low income households if the housing consumes no more than 30 percent of the household's

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37. These households had incomes less than 50 percent of the median income of the area in which they live.

38. The HUD estimate of 4.2 million subsidized rental units is higher than the latest data from the Census Bureau, whose March 1987 Current Population Survey found 3.8 million households living in federally subsidized units.

39. The 33.1 percent figure was calculated using the 1983 measure of "very low-income" households and the 1987 measure of households receiving assistance. Thus the assumption was made that the number of "very low-income" households did not change substantially from 1983 to 1987.

income.) Moreover, many of these low rent units are rented by households who are not in the "very low income" category. As a result, the actual low income housing shortage is substantially greater than these numbers would indicate.

The data compiled by the Low Income Housing Information Service also show that the number of very low income renter households exceeds the number of units that are affordable for these households in every state in the nation. In most states, the low income housing gap is very large (see "Tables," Table A18).[40]

These and other data strongly suggest the presence of a growing housing crisis for low-income households. The large homeless population in some areas of the country is one visible sign of this crisis.

The severity of the problem is further illustrated by data from the 1983 Annual Housing Survey, published by the Census Bureau (1983 is the latest year for which the survey has been published). It shows that in 1983, approximately half of all renter households in the United States with incomes below $7,000 a year were paying *at least 60 percent of their income* for rent and utilities. It also shows that in just eight years, from 1975 to 1983, the number of low income households spending at least half of their income on rent and utilities rose 70 percent (or by 2.6 million households). This indicates that the low income housing shortage is growing at a rapid pace.

In addition, the Census data also reveal that in 1983, more than one of every four renter households in the nation with incomes below $5,000 lived in housing that was structurally inadequate.

While the federal government has been the major player in providing government housing assistance, the rather extraordinary dimensions of the low rent housing shortage -- coupled with the large federal budget deficit -- mean that state supplemental efforts are likely to be necessary to deal with this problem in the years ahead. A few states currently provide such assistance, but so far the size and scope of these efforts have been dwarfed by the size of the low rent housing shortfall.

For example, Massachusetts has one of the nation's largest state housing programs, having just passed a $404.6 million housing bond issue that will eventually finance approximately 8,000 low and moderate income housing units. Nevertheless, this program is still small relative to the shortage of 142,000 low-rent units in Massachusetts, as estimated by the Low Income Housing Information Service.

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40. Endnote D discusses in more detail the data compiled by the Low Income Housing Information Service.

Energy Assistance

The federal low income energy assistance program is important to poor households because a high proportion of their income goes to energy expenditures. In 1986, the average low-income household eligible for energy assistance spent 15.1 percent of its income on home energy expenditures. This was nearly four times the average proportion of income (3.9 percent) spent by all U.S. households on such costs.

The federal low income energy assistance program was created in the late 1970s in conjunction with federal decisions to deregulate oil prices and the large OPEC oil increases of that period. The program helps offset a portion of the increased heating and other energy bills of low income households and was intended by its framers in the Carter Administration to be funded at a $2.6 billion annual level by fiscal year 1981.

Due to budget cuts in the intervening years, however, the program is now (in fiscal year 1988) funded at a $1.5 billion level, and further cuts have been proposed for fiscal year 1989. Data from the U.S. Department of Health and Human Services indicate that the program now covers less than one-fifth of the heating and cooling costs of all low income households eligible for assistance under federal guidelines (see "Tables," Table A19).

As a result, the need for state intervention in this area is likely to grow in the years ahead. Several states have low income energy assistance programs, although they tend to be small. Some states -- including Illinois, Ohio, Rhode Island, and Wisconsin -- currently operate "Percentage of Income Payment Plans" in which low-income households pay a set percentage of their home energy costs in return for continued supply.[41]

In one of the most promising approaches, the Rhode Island program is integrated with the federal low-income energy assistance program and uses the same income eligibility criteria. On a monthly basis, households pay a fixed percentage of their income -- ranging from four percent to eight percent depending on household size and income -- towards their primary heat source and for non-heat energy usage. In turn, as long as these payments are made, their utility service is assured. This program currently operates only in Warwick, Rhode Island.

The WIC Program

The WIC program provides food supplements and nutrition counseling to pregnant and nursing women, as well as to infants and children up to age five. The recipients must be both low-income and nutritionally at risk. Medical evaluations have found WIC to be effective in reducing infant mortality, low birthweight, anemia, and other health problems. However, federal funding levels are insufficient for many of the eligible women and children to participate.

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41. See "Development and Implementation of the Percentage of Income Plan Concept by the States," National Consumer Law Center, Washington, D.C., February 17, 1988 for a detailed description of these programs.

Nationwide, fewer than half (about 45 percent) of WIC eligibles are served under the program (see "Tables," Table A20).[42]

States can provide funds to supplement federal WIC funds and thereby to reach more of those who are eligible. At the beginning of 1988, 11 states were supplementing the WIC program, although in two of these states, the state funds are being used solely for administrative costs. (These 11 jurisdictions are: the District of Columbia, Illinois, Indiana, Massachusetts, Michigan, Minnesota, New York, Pennsylvania, Texas, Washington, and Wisconsin; in Michigan and Washington the funds are for administrative costs only.) Of these 11 states, about half provided state funds for the first time in 1986 or 1987. Thus, the provision of state funds for WIC may be a growing trend.

Finally, in recent months several states have instituted more economical ways of obtaining infant formula products used in their WIC programs, so that WIC dollars can be stretched to serve more participants. For example, by using competitive bidding to secure a single brand of infant formula at the lowest price, Texas is saving $1.00 a can (more than 60 percent off) on infant formula, which will enable it to save at least $35 million a year and add close to 100,000 new participants to the program. A number of other states are now considering methods of securing large savings in WIC infant formula costs; substantial savings in this area should now be available to virtually any state that pursues this matter.

42. This figure is based on the average number of WIC recipients in fiscal year 1987 and an estimate of the number of WIC eligibles in 1984. This estimating procedure is necessary because the most recent estimate for the number of WIC eligibles in the nation is for 1984. For more details on the estimating procedure, see Endnote E.

III. Anti-Poverty Impact of Government Benefit Programs

As the information in the preceding chapters indicates, state safety nets are limited in various ways. Moreover, in certain key areas such as AFDC and unemployment insurance, the safety nets have weakened in recent years. The effects of these limitations -- especially for families with children -- are reflected in recent Census data showing that only a small fraction of poor families with children are now lifted out of poverty by government benefit programs. The Census data also reveal that benefit programs are now lifting a significantly smaller proportion of families with children out of poverty than in the past.

The Census data for 1986 (the last year for which these data are available) show:

- Only one of every nine families with children who otherwise would have been poor (11 percent of these families) was lifted out of poverty by federal, state, and local cash assistance benefits such as AFDC, general assistance, Social Security, and unemployment insurance.

- The anti-poverty impact of these programs was much lower in 1986 than it had been in 1979, the first year for which these Census data were collected. In 1979, nearly one of every five families with children who would otherwise have been poor (19 percent of these families) was lifted out of poverty by cash assistance programs.[43]

43. Even if the value of non-cash benefits such as food stamps and Medicaid are counted as income when poverty is measured (they are not counted in the government's official estimate of the poverty rate), only a shrinking minority of families with children who would otherwise be poor are lifted out of poverty. For example, under one of the several methods Census uses to compute the value of non-cash benefits, only 24 percent of these families with children were lifted out of poverty by cash and non-cash programs in 1986. Using this same methodology, a substantially higher proportion (38 percent) of these families were lifted out of poverty by these programs in 1979.

- In 1979, cash benefit programs *other than* Social Security (including AFDC, SSI, and unemployment insurance) lifted out of poverty 9.6 percent of the families with children who were poor after all other income and any Social Security benefits were counted. In 1986, these programs lifted only 5.3 percent of these families out of poverty.

The decline in the proportion of poor families lifted out of poverty by government programs is, in substantial part, related to the erosion of benefits and coverage in a number of government programs. AFDC and unemployment insurance benefits both declined in value from 1979 to 1986.

- Maximum AFDC benefits for a family of four with no other income fell 18.5 percent during this period in the typical (or median) state, after adjusting for inflation.

- A much lower proportion of poor children are on AFDC now than in 1979. From 1979 to 1986, the number of children living in poverty increased from 9.9 million to 12.7 million, while the number of children on AFDC remained essentially unchanged. Some 7.2 million children were on AFDC in 1979 as compared to 7.3 million children on AFDC in 1986. Thus, in 1979 there were 73 children receiving assistance through AFDC for every 100 children living in poverty, but by 1986, there were just 57 children receiving AFDC assistance for every 100 who were poor.

- The percentage of unemployed workers receiving unemployment insurance fell from 42 percent in 1979 to 33 percent in 1986.

An examination of program changes and poverty trends in the early 1980s provides further evidence of the relationship between the decline in government assistance programs and the diminished anti-poverty effectiveness of these programs.

- The greatest declines in AFDC benefits appear to have occurred during the period of highest inflation in 1979 and 1980. Not surprisingly, the data show that one of the two largest year-to-year drops in the anti-poverty impact of government benefit programs on poor families came between 1979 and 1980.

- The other largest year-to-year drop came between 1981 and 1982, precisely the period when the large federal budget cuts enacted in 1981 took effect. (AFDC and unemployment insurance were among the programs reduced by the 1981 legislation.)

In some states, the anti-poverty impact of government programs is far below the average impact nationwide. This is true in many states where, for example, AFDC benefit standards are set at very low levels, the basic federal SSI benefits for the elderly and the disabled are not supplemented by the state, and there are highly restrictive Medicaid programs.

Indiana is an example of a state where households are unlikely to be raised out of poverty by government programs. Maximum AFDC benefits for a three-

person family without other income equal only 38.1 percent of the poverty line. This percentage also is the cutoff point for Medicaid eligibility. The state does not supplement the basic federal SSI grant. There are no state standards for the provision of general cash assistance. And the Hoosier state has adopted none of the key Medicaid options that can provide broader coverage to needy groups than the minimum required under federal law.

IV. Are the Safety Nets Adequate?

Do the 51 state safety nets meet a test of reasonable adequacy? To help consider this question, we have constructed a set of 10 standards against which the safety nets can be tested. It is within the authority of the states to meet each criterion, with the possible exception of the standard for unemployment insurance coverage.

The standards used here do not require especially generous levels of support. For example, one standard is a maximum AFDC benefit level equal to half the poverty line, a rather modest level. Another standard is a Medicaid income eligibility limit equal to 75 percent of the poverty line. A higher Medicaid standard set at 100 percent of the poverty line can certainly be justified, but the standards applied here are designed to be modest.

SAFETY NET ADEQUACY STANDARDS

(1) Maximum AFDC benefits for three-person families equal to or greater than half the poverty line (19 states meet this standard).

(2) AFDC benefits provided to two-parent families (28 states).

(3) SSI payments supplemented by more than the minimal amount of $15 per month for an individual, which brings total SSI benefits up to 78 percent of the poverty line for an elderly individual (21 states).

(4) A state general assistance program not restricted solely to disabled and elderly individuals (8 states).

(5) A Medicaid income eligibility limit for a three-person family equal to or greater than 75 percent of the poverty line (11 states).

(6) Adoption of the SOBRA option making all pregnant women and young children in poverty eligible for Medicaid (25 states).

(7) **Adoption of a Medicaid Medically Needy program for both families with children and for elderly and disabled people (35 states).**[44]

(8) **At least two-fifths of the unemployed receiving unemployment insurance (8 states).**

(9) **At least 40 percent of state revenue collected through income taxes (16 states).**

(10) **A property tax circuitbreaker that is not restricted to households with an elderly or disabled person (10 states).**[45]

Even though this test uses relatively modest standards, Table 9 indicates that the vast majority of states do not pass it, and many states fail by a wide margin. (See "Tables," Table A21 for the test results for all states.)

- No state meets all 10 standards.
- Thirty states meet three or fewer criteria.
- Four states meet none of the criteria, while another seven states achieve only one of the 10 standards. Of these 11 states, six are outside the South.
- Less wealthy states generally score lower on the test than other states, but even some relatively wealthy states fare poorly. For example, Colorado, Florida, Nevada, Ohio, and Virginia all have above-average levels of per capita income, but meet two or fewer standards.
- Only 13 states meet more than half of these criteria. Of these, Oregon and Washington meet six criteria; Connecticut, New Jersey, Pennsylvania, Vermont, and Wisconsin meet seven; California, Michigan, Minnesota, New York, and Rhode Island meet eight; and Massachusetts meets nine.

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44. Arizona is counted as meeting this standard. As previously noted, although it does not have a federal Medically Needy program, it has a special state program instead.

45. One of these 10 states is Maryland, even though its circuitbreaker covers nonelderly homeowners but not nonelderly renters.

Table 9. States Meeting Three or Fewer Standards

Zero Standards	One Standard	Two Standards	Three Standards
Alabama*	Georgia	Arizona	Hawaii
Indiana**	Louisiana	Arkansas	Illinois
South Dakota	Mississippi	Colorado	Nebraska
Texas	Nevada	Florida	New Hampshire
	New Mexico	Idaho	Oklahoma
	North Dakota	Kentucky	West Virginia
	Wyoming	Missouri	
		Montana	
		Ohio	
		South Carolina	
		Tennessee	
		Utah	
		Virginia	

*As mentioned before, Alabama is expected to implement the SOBRA option in July 1988, but is not counted here as adopting the SOBRA option.

**Indiana is in the process of establishing a variation of an AFDC-UP program, although its program will be very restrictive. To be eligible, a two-parent family's primary earner must participate in job training, community work, or adult education for 32 hours a week and in job search for eight hours a week. Benefits, moreover, are restricted to six months of any twelve-month period. The program awaits federal approval.

Even in states meeting the largest number of these standards, substantial gaps remain in the safety nets. For example, in Massachusetts (which meets nine standards) the maximum value of AFDC benefits for a three-person family without any other income is nearly one-third below the poverty line. For a four-person family, the maximum AFDC benefit is nearly two-fifths below the poverty line. Maximum AFDC benefits in the Bay State have fallen 35 percent since 1970, after adjusting for inflation. Even the combined value of maximum AFDC and food stamp benefits still leaves a three-person family 12 percent below the poverty line. In addition, some impoverished Massachusetts families with children are not eligible for Medicaid, because the income limit is 87.1 percent of the poverty line. Furthermore, there is no circuitbreaker program to relieve the burden of property taxes on low-income households. Many low income Massachusetts households also face a serious housing shortage. In 1985, the number of very low-income renter households in Massachusetts was 136.7 percent greater than the number of housing units available at no more than 30 percent of these households' incomes.

Similarly, in Minnesota (which meets eight standards) the combined value of AFDC and food stamp benefits leaves a three-person family 10 percent below the poverty line, and maximum AFDC benefits have declined 28.9 percent since 1970, after adjusting for inflation. Some poor families with children are not eligible for Medicaid, and singles and childless couples are reliant primarily for health care assistance on whatever programs might exist for the medically indigent. As in

Massachusetts, a housing problem exists for low-income Minnesota households -- in 1985, the number of very low-income renter households in Minnesota was 110 percent greater than the number of housing units that rent for no more than 30 percent of these households' incomes.

V. Implications for National Policy

The focus of this report is on the choices states are making in benefit programs and income-related policies that are targeted on poor households or that otherwise have a major impact on the low income population. From this analysis, an agenda for possible state action begins to emerge. Different state choices than those currently being made could substantially improve the situation of poor people in many areas. The need for state action is underscored by the persistence of large federal budget deficits which make it unlikely that the federal government will make dramatic changes to or provide substantially increased funding for safety net programs in the years immediately ahead. If state safety nets are to be strengthened significantly, then the states themselves will need to step to the fore.

At the same time, the federal role in anti-poverty policies should not be ignored. There is wide variation among state programs and policies that affect low income households. Moreover, these policies fall well short of lifting individuals and families out of poverty, and the effectiveness of some of these policies has eroded over time. Such findings indicate a need for stronger federal standards in some areas.

Variation among state programs is often justified on the grounds that it reflects the need for states to tailor policies to the unique problems and situations in each state. For example, job training programs need to be tailored to local economies, while education policies benefit from local participation by parents. When it comes to the wide variations among benefit programs for low income people, however, such considerations are not as strong. Rather, the variation in state poverty policies appears to stem principally from differences among the states in their philosophical commitment and financial ability to aid the poor.

Some philosophical differences should be heeded, of course; but that said, it is not readily apparent that philosophical differences justify the magnitude of the variations across states. Can philosophical differences and divergent attitudes towards the poor justify maximum AFDC benefits for a three-person family that range from a low of 15.6 percent of the poverty line in Alabama to a high of 83.7 percent in California? That in many states two-parent families are not eligible

for cash assistance programs or Medicaid, while in other states, the same family would be eligible? That the percentage of the jobless who received unemployment insurance in 1986 ranged from a low of 16.6 percent in Virginia to a high of 65.7 percent in Alaska?

Variations of this magnitude substantiate the case for stricter federal standards. Such standards could ensure that the probability of receiving these and other program benefits would not vary so much across the states, would not be as dependent on chance alone, on where in this nation a poor household may happen to live.

Federal standards would need to be coupled in some cases with greater federal funding, because some of the variation in state poverty policies is due to the simple fact that states with many poor people and low per capita income are often less able to afford adequate poverty policies than those with fewer poor people and higher per capita income.

The extent of these variations in state poverty policies would be of less concern if the policies in so many states did not provide such low levels of support. Federal standards and funding can play a positive role in this regard, as a comparison between the SSI and AFDC programs illustrates.

The SSI program provides basic benefit levels that are fully federally financed and that are equal, in all states, to 74.8 percent of the poverty line for a single elderly person and 88.9 percent of the poverty line for an elderly couple. Twenty-seven states supplement these federal benefit levels with state funds, in part so that states with higher costs-of-living can reflect these higher costs in their support levels. This approach allows for the federal government to establish basic, minimum standards and for the states to provide benefits over and above these standards if they so choose.

By contrast, in the AFDC program, no such federal benefit standards apply and all benefits are jointly funded by the federal and state governments. In the typical state, maximum AFDC benefits for a family of three equal just 47.5 percent of the poverty line.

Among the areas where federal standards could have the most substantial impact on the poor are:

- Establishment of a federal floor for AFDC benefits (as there is for SSI benefits);
- A requirement that all states provide AFDC benefits to families with unemployed parents;
- A requirement that all SSI recipients be made eligible for Medicaid;
- Federal action to require the extension of Medicaid coverage to more children in poverty; and
- Enactment of a revised federal "trigger" that makes it likely that states with high unemployment rates would be eligible for the program that

extends unemployment insurance benefits for the long-term unemployed.[46]

It should also be noted that in several program areas -- notably housing programs, the low energy assistance program, and the WIC program -- a majority of the people who are eligible do not receive benefits due primarily to limitations on federal funding. (Federal funding of housing and energy assistance programs has dropped substantially in the 1980s.) State supplementation of these programs can help close this gap, but given its size, increased federal funding is also very important.

Nevertheless, while such federal actions could greatly strengthen state safety nets, state actions remain crucial. Given the current political and budgetary climate at the national level, the federal government is unlikely to establish sweeping changes in poverty policies. For the foreseeable future, state choices are likely to remain of paramount importance in determining the adequacy of the state safety nets.

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46. The extended unemployment benefits program is supposed to provide an additional 13 weeks of benefits to people unemployed for 27 weeks or more living in states with high unemployment rates. But legislation passed by Congress in 1981 has made it much more difficult for states to qualify for the program. In February 1988, only one state (Alaska) qualified to pay extended benefits. Other states with troubled economies do not qualify for benefits; for example, Louisiana's extended benefits were ended in March 1987, even though its unemployment rate was 13.5 percent that month. The federal government pays half of extended benefits program costs and sets the criteria that determine when extended benefits will be provided.

ENDNOTES

A. Description of Cash Assistance Programs. There are separate government cash assistance programs for different types of poor households. The *Aid to Families with Dependent Children* (AFDC) program is for single-parent families with children and (at a state's option) two parent families with an unemployed primary earner. The *Supplemental Security Income* (SSI) program assists low-income elderly and disabled persons. *General cash assistance* programs can aid households in poverty who are categorically excluded from receiving either AFDC or SSI benefits.

These programs have different degrees of federal, state, and local participation. AFDC is jointly funded by the federal and state governments, but the states determine the level of benefits and whether two-parent households with an unemployed primary earner are eligible for assistance. The federal Supplemental Security Income program extends a basic federal grant to low income elderly and disabled people in all states, but states have the option to supplement this grant. There are no federal standards for general cash assistance programs. States decide whether to establish such programs and whether to extend assistance to single individuals and childless couples who are neither elderly or disabled. In the absence of a state program, localities can choose to establish their own general assistance programs.

B. SOBRA Poverty Line. The poverty line cut-offs used to determine eligibility under SOBRA and a number of other federal programs are referred to as the federal poverty *guidelines* and differ slightly from the poverty *thresholds* that the Census Bureau uses to determine poverty rates. With the exception of the SOBRA section of this report, "poverty threshold" and "poverty line" are used synonymously and refer to the figures used by the Census Bureau. See Table A2 for more information on the Census Bureau's poverty thresholds.

C. Medicaid Income Eligibility Limits for Families with Children. In states without a Medically Needy program for families with children, the Medicaid income eligibility limit is usually equal to the AFDC "payment standard." This "payment standard" is used to determine eligibility for AFDC benefits: that is, a state's payment standard is the figure from which an applicant or recipient's countable income is deducted to determine the level of AFDC benefits.

In states without a Medically Needy program, Medicaid coverage tends to be quite limited.

- Fourteen states do not have a Medically Needy program. In these states, the Medicaid income eligibility thresholds for a three-person family range from 15.6 percent of the poverty line in Alabama to 79.3 percent of the poverty line in Alaska. In the median state without a Medically Needy program, the threshold equals 40.9 percent, or just about two-fifths, of the poverty line.

Although states with a Medically Needy program tend to have higher Medicaid income eligibility thresholds (and also provide coverage to some low-income families who have incomes above these thresholds but who have incurred high medical expenses), many poor families in these states, too, are still ineligible for Medicaid coverage.

- In the states with Medically Needy programs, the Medicaid income eligibility threshold for a three-person family ranges from 30.8 percent of the poverty line in Louisiana to 112.5 percent of the poverty line in California. In the median state with a Medically Needy program, the income eligibility threshold equals just 60.6 percent, or about three-fifths, of the poverty line.

- In addition, in seven states with a Medically Needy program, the Medically Needy threshold is *lower* than the income limit that determines AFDC eligibility. In these states, the Medically Needy program extends coverage only to those families whose medical expenses drive their countable income far enough below the state's AFDC income eligibility limit that it is also below the Medically Needy income limit.

D. Rental Housing Crisis Index. One measure of the housing problems facing low-income households is the Low Income Housing Information Service's (LIHIS) "Rental Housing Crisis Index." The index is based on U.S. Census data for 1985.

In its analysis, LIHIS classifies as "very low income" all renter households with incomes equal to or less than 50 percent of the income of the median renter household in the state. (The LIHIS definition of "very low income" renter households differs from the U.S. Department of Housing's (HUD's) definition of "very low income" renter households. The LIHIS definition covers households with incomes at or below 50 percent of the median *renter* household income in the state. HUD's definition covers households with incomes at or below 50 percent of the median income of *all* households in their area, including both renters and homeowners. Since the typical renter has less income than the typical homeowner, the LIHIS definition is based on a lower median income standard than is HUD's definition, making the LIHIS category of "very low income" renter households smaller than HUD's category.)

LIHIS does use HUD's definition of housing "affordability." Housing is considered affordable if it consumes no more than 30 percent of a household's income. The Rental Housing Crisis Index compares the number of "very low income" renter households in a state to the number of affordable "very low rent" housing units -- that is, those units that rent for no more than 30 percent of the income cutoff for "very low income" renters. In a hypothetical example, if the median renter income in a state equaled $12,000, "very low income" renter households would be those with incomes less than or equal to $6,000. Accordingly, "very low rent" housing units would be those renting for $150 a month or less (since $6,000/12 months x 30 percent equals $150). In the LIHIS analysis, the number of very low income renter households in a state is compared to the number of very low rent units in the state (including public and subsidized housing units in the state).

LIHIS emphasizes that this methodology produces a conservative estimate of the low income housing shortage in each state, because not every unit available at an affordable rental price is actually rented to a very low income household. Despite this conservative bias, the Rental Housing Crisis Index shows that the number of very low income renter households substantially exceeds the number of very low rent units in most states.

- In 1985, the Rental Housing Crisis Index showed that the number of very low income renters in the nation exceeded the number of very low rent units by 93.7 percent. This represents a shortfall of at least 3.9 million rental units.

- In four jurisdictions (California, the District of Columbia, Nevada and New Jersey), the Index shows that the number of very low income renters was more than three times greater than the number of very low rent units.

- In many states that have stronger-than-average safety nets in other areas, the housing crisis is severe. California is one example; the Rental Housing Crisis Index indicates a low-income rental housing shortage of 789,000 units in that state. Massachusetts and New York are two other states with stronger-than-average safety nets in other areas but serious housing shortages. In both states, the numb r of very low income renters exceeded the number of available very low rent units by nearly 140 percent, representing shortages of 142,000 and 538,000 units, respectively.

E. Estimating WIC Coverage. The most recent national estimate for the number of women, infants, and children eligible for WIC is for 1984. The estimate is contained in "Estimation of Eligibility for the WIC Program," a study published by the U.S. Department of Agriculture (USDA) in the fall of 1987. The Center on Budget and Policy Priorities calculated the nationwide participation rate used in this report by dividing the average number of WIC participants in fiscal year 1987 by the average monthly number of WIC eligible people as of 1984. (The Center adjusted USDA's 1984 WIC eligible pool by subtracting out participants in the Commodity Supplemental Food Program (CSFP) who meet WIC eligibility criteria. CFSP participants are ineligible for the WIC program.)

For individual states, the most recent USDA estimates of the number of people eligible for WIC are for 1979. The state WIC participation rates used here were calculated by using the number of WIC recipients in each state in June 1987 and an estimate derived by the Center of the number of WIC eligibles in each state in 1984. To estimate the number of WIC eligibles in each state for 1984, the Center first determined the percentage increase in the national number of women, infants, and children who were eligible for WIC in 1984 as compared to the national number of women, infants, and children who were eligible in 1979 (USDA has published estimates for both years). This percentage increase was then applied to the number of women, infants, and children who were eligible in each sta' in 1979 to produce an estimate of the number of eligibles by state for 1984. In the 14 states with a CSFP program, the CSFP participants who,

according to USDA, meet WIC eligibility criteria were then subtracted from the 1984 estimate.

These calculations necessarily produce rough approximations of each state's WIC eligible population in 1984. The state-by-state estimates are only approximations, because all states would not have experienced the same rate of increase in the number of eligible women, infants, and children between 1979 and 1984 as did the U.S. as a whole.

Moreover, both the national and the state-by-state calculations compare 1987 participation levels to the number of WIC eligibles in 1984, since no data on the number of people eligible for WIC is available for years after 1984. Estimating WIC participation rates in this fashion is obviously troublesome, but is unavoidable since no data on the number of people eligible for WIC is available for any year after 1984. The Center decided *not* to compare 1984 WIC participation limits to the number of eligibles in 1984. Such a comparison would have yielded results that would be poor indicators of current participation rates, since WIC participation has grown significantly since 1984. (In allocating fiscal year 1988 federal WIC funds among the states, USDA compared fiscal year 1987 participation levels to the number of persons eligible in each state back in 1979. USDA also subtracted out CSFP participants from the eligibility figures.)

TABLES

Table A1. State Poverty Rates and Per Capita Income

State	1985 Poverty Rate	Poverty Population (thousands)	Per Capita Income 1986 Level	Per Capita Income Ratio to National	Per Capita Income Rank
Alabama	20.6%	829	$11,115	0.77	45
Alaska	8.8	46	17,744	1.23	4
Arizona	10.7	341	13,220	0.91	31
Arkansas	22.9	540	10,773	0.74	48
California	13.6	3,585	16,778	1.16	7
Colorado	10.3	333	15,113	1.05	12
Connecticut	7.6	241	19,208	1.33	1
Delaware	11.4	71	15,010	1.04	14
District of Columbia	20.4	127	18,980	1.31	2
Florida	13.4	1,523	14,281	0.99	20
Georgia	17.7	1,058	13,224	0.91	29
Hawaii	10.7	112	14,691	1.02	16
Idaho	16.0	161	11,432	0.79	42
Illinois	15.6	1,800	15,420	1.07	10
Indiana	12.0	660	12,944	0.90	33
Iowa	18.0	519	13,222	0.91	30
Kansas	13.8	338	14,379	0.99	19
Kentucky	19.4	723	11,129	0.77	44
Louisiana	18.1	812	11,227	0.78	43
Maine	11.9	139	12,709	0.88	35
Maryland	8.7	382	16,588	1.15	8
Massachusetts	9.3	541	17,516	1.21	5
Michigan	14.5	1,318	14,064	0.97	21
Minnesota	12.6	528	14,737	1.02	15
Mississippi	25.1	656	9,552	0.66	51
Missouri	13.7	690	13,657	0.94	26
Montana	16.1	133	11,904	0.82	39
Nebraska	14.8	238	13,777	0.95	24
Nevada	14.4	135	15,074	1.04	13
New Hampshire	6.0	60	15,922	1.10	9
New Jersey	8.3	628	18,284	1.26	3
New Mexico	18.5	268	11,037	0.76	47
New York	15.8	2,804	17,118	1.18	6
North Carolina	14.2	889	12,245	0.85	38
North Dakota	15.9	109	12,284	0.85	37
Ohio	12.8	1,376	13,743	0.95	25
Oklahoma	16.1	532	12,368	0.86	36
Oregon	11.9	320	13,217	0.91	32
Pennsylvania	10.5	1,246	13,944	0.96	22
Rhode Island	9.0	87	14,670	1.01	17
South Carolina	15.2	507	11,096	0.77	46
South Dakota	17.3	122	11,850	0.82	40
Tennessee	18.1	863	11,831	0.82	41
Texas	15.9	2,605	13,523	0.94	27
Utah	11.1	183	10,743	0.74	49
Vermont	9.2	49	12,845	0.89	34
Virginia	10.0	570	15,374	1.06	11
Washington	12.0	529	14,498	1.00	18
West Virginia	22.3	432	10,530	0.73	50
Wisconsin	11.6	554	13,796	0.95	23
Wyoming	12.0	61	13,230	0.91	28

Source: For poverty rates, Christine Ross and Sheldon Danziger, "Poverty Rates by State, 1979 and 1985: A Research Note," *Focus*, Institute for Research on Poverty, Fall 1987 (see page 3 of this report.) For per capita income, U.S. Department of Commerce, *News* (April 16, 1987).

Table A2. Poverty Thresholds for 1987

Size of Family Unit	Threshold 1987 Estimate
One person (unrelated individual)	$5,784
15 to 64 years	5,918
65 years and over	5,455
Two persons	7,409
Householder 15 to 64 years	7,652
Householder 65 years and over	6,882
Three persons	9,069
Four persons	11,629
Five persons	13,763
Six persons	15,555
Seven persons	17,697
Eight persons	19,505
Nine persons or more	23,352

Source: Poverty *thresholds* are used by the Census Bureau to determine whether a family unit is classified as poor.

The estimated 1987 poverty thresholds shown above were used throughout this report in expressing various figures as a percentage of the poverty line. These thresholds were calculated by multiplying the Census Bureau's official 1986 poverty thresholds by the inflation rate of 3.8 percent projected by the Congressional Budget Office in August 1987. The projected rate differs little from the actual 1987 inflation rate of 3.7 percent. For example, the difference is only about $13 a year (or about $1 on a monthly basis) for a family of three.

There are two state exceptions. For Alaska and Hawaii, the Center on Budget and Policy Priorities increased the thresholds by 25 percent and 15 percent respectively to adjust for the higher cost of living in these states. These adjustment factors are equal to the adjustments for Alaska and Hawaii made by a number of federal means-tested benefit programs in setting the "poverty guidelines" used to determine program income eligibility limits.

Table A3. Miscellaneous Characteristics of AFDC Programs
(Three-Person Family, 1987)

State	AFDC-UP?	AFDC Benefit Rank	Maximum AFDC and Food Stamp Benefits as % of Poverty Line	AFDC Emergency Assistance?
Alabama	no	51	45.8%	no
Alaska	no	1	101.5	no
Arizona	no	35	67.8	no
Arkansas	no	44	56.9	yes
California	yes	2	99.3	yes
Colorado	no	29	72.8	no
Connecticut	yes	4	96.4	no
Delaware	yes	32	69.4	yes
District of Columbia	yes	23	74.4	yes
Florida	no	39	65.1	no
Georgia	no	41	64.9	yes
Hawaii	yes	10	92.9	no
Idaho	no	34	68.9	no
Illinois	yes	30	73.1	yes
Indiana	no	36	67.4	no
Iowa	yes	19	76.0	no
Kansas	yes	16	79.1	yes
Kentucky	no	46	56.2	no
Louisiana	no	47	55.3	no
Maine	yes	17	78.2	yes
Maryland	yes	26	76.3	yes
Massachusetts	yes	7	87.9	yes
Michigan	yes	13	82.1	yes
Minnesota	yes	6	90.0	yes
Mississippi	no	50	46.0	no
Missouri	yes	38	66.8	no
Montana	yes	25	74.0	yes
Nebraska	yes	28	73.1	yes
Nevada	no	37	67.1	no
New Hampshire	no	11	85.7	no
New Jersey	yes	14	81.0	yes
New Mexico	no	40	65.1	no
New York	yes	8	88.8	yes
North Carolina	yes	42	64.4	no
North Dakota	no	21	75.1	no
Ohio	yes	33	69.9	yes
Oklahoma	no	31	69.4	yes
Oregon	yes	15	83.5	yes
Pennsylvania	yes	18	76.1	yes
Rhode Island	yes	12	85.7	no
South Carolina	yes	45	56.6	no
South Dakota	no	22	74.6	no
Tennessee	no	49	51.2	no
Texas	no	48	54.5	no
Utah	no	20	75.5	no
Vermont	yes	3	96.5	yes
Virginia	no	27	73.5	yes
Washington	yes	9	88.1	yes
West Virginia	yes	43	63.1	yes
Wisconsin	yes	5	91.5	yes
Wyoming	no	24	74.0	yes

Source: Center compilation of data from Congresional Research Service and House Ways and Means Committee.

Table A4. Number and Percentage of AFDC Households That Receive Food Stamps, Fiscal Year 1986

State	Number of AFDC Households Receiving Food Stamps*	Percentage of AFDC Households Receiving Food Stamps	Number of AFDC Households *Not* Receiving Food Stamps*	Percentage of "Pure AFDC Households" Receiving Food Stamps**	Percentage of "Mixed AFDC Households" Receiving Food Stamps***
Alabama	41,726	83.3%	8,365	98.9%	73.3%
Alaska	4,446	65.4	2,352	76.2	44.6
Arizona	20,969	80.5	5,079	92.4	71.2
Arkansas	18,989	84.2	3,586	95.1	75.9
California	405,414	71.8	159,230	89.2	54.5
Colorado	24,028	86.0	3,912	88.9	71.4
Connecticut	32,496	80.6	7,822	93.2	52.4
Delaware	6,459	78.6	1,759	89.4	63.3
District of Columbia	na	na	na	na	na
Florida	75,082	77.1	22,300	97.4	63.4
Georgia	65,694	78.3	18,207	88.8	67.2
Hawaii*	13,447	88.6	1,730	92.9	62.8
Idaho	5,589	88.3	741	93.5	75.3
Illinois	213,494	88.5	27,742	96.5	74.4
Indiana	45,501	81.7	10,192	97.2	62.2
Iowa	35,785	87.7	5,019	90.6	75.0
Kansas	18,362	78.8	4,940	93.6	51.6
Kentucky	52,064	86.5	8,126	96.0	77.6
Louisiana	na	na	na	na	na
Maine	17,307	86.2	2,771	96.9	68.5
Maryland	56,537	81.3	13,004	97.5	62.4
Massachusetts	69,698	79.8	17,643	89.0	45.2
Michigan	205,437	93.3	14,753	95.6	79.5
Minnesota	41,983	78.1	11,826	87.2	52.0
Mississippi	46,721	87.6	6,613	97.9	81.1
Missouri	54,675	82.2	11,839	95.5	64.5
Montana	8,009	90.6	831	91.2	87.8
Nebraska	13,785	85.4	2,357	97.5	63.2
Nevada	3,950	72.2	1,521	74.8	57.4
New Hampshire	3,998	80.5	968	83.5	69.1
New Jersey	104,178	85.9	17,100	90.6	65.9
New Mexico	15,950	88.1	2,154	89.4	81.0
New York	342,207	92.9	26,154	96.5	83.2
North Carolina	48,276	72.2	18,588	91.4	54.6
North Dakota	3,594	74.2	1,249	77.7	59.4
Ohio	202,992	89.3	24,323	98.3	68.6
Oklahoma	23,845	78.9	6,377	91.8	56.4
Oregon	27,702	90.2	3,010	95.9	80.8
Pennsylvania	168,680	88.4	22,135	95.8	62.8
Rhode Island	14,480	90.3	1,555	94.4	68.6
South Carolina	36,662	79.5	9,454	89.6	72.7
South Dakota	4,485	72.8	1,676	85.9	55.3
Tennessee	50,336	85.2	8,744	96.4	76.6
Texas	118,107	87.3	17,182	96.3	76.4
Utah	10,854	81.1	2,530	85.5	67.9
Vermont	6,424	84.2	1,213	89.2	67.5
Virginia	34,456	58.9	24,043	75.3	48.6
Washington	59,377	84.0	11,310	94.9	64.0
West Virginia	33,885	92.8	2,629	97.0	80.8
Wisconsin	77,364	84.8	13,867	91.1	67.1
Wyoming	3,417	85.4	584	94.3	63.2
Nation	3,070,380	83.4	611,131	93.7	66.1

NA: Data not available.

Source: U.S. General Accounting Office, *Food Stamp Program: Participation by AFDC Households*, February 1988.

*Recipient and non-recipient numbers calculated by applying percentage rates to the number of total AFDC households. Hawaii figures are based on incomplete data.

**These are households in which all members are covered by the AFDC grant. These households are automatically eligible for food stamps.

***These are households in which members of the AFDC assistance unit live with, and purchase and prepare food with, other people. These households are eligible for food stamps if they meet the food stamp income and assets tests.

Table A5. AFDC Need Standards
(Family of Three, 1987)

State	Monthly Need Standard	Maximum Benefit Level As Percentage of Need Standard	Inflation-Adjusted Change in the Value of Need Standard (1970 to 1987)
Alabama	$384	30.7%	-28.5%
Alaska	749	100.0	-28.7
Arizona	621	47.2	+ 0.1
Arkansas	695	29.1	+59.6
California	633	100.0	-40.3
Colorado	421	82.2	-25.7
Connecticut	601	100.0	-27.3
Delaware	310	100.0	-56.7
District of Columbia	712	51.1	+ 6.4
Florida	775	34.1	+43.3
Georgia	366	71.9	-28.9
Hawaii	491	100.0	-25.3
Idaho	554	54.9	-21.1
Illinois	689	49.6	- 5.5
Indiana	320	90.0	-59.1
Iowa	497	76.7	-34.0
Kansas	409	100.0	-39.7
Kentucky	197	100.0	-68.1
Louisiana	610	31.1	+20.6
Maine	558	72.6	-31.1
Maryland	497	72.2	-32.2
Massachusetts	510	100.0	-35.1
Michigan	630	67.8	- 2.1
Minnesota	532	100.0	-28.9
Mississippi	368	32.6	-34.6
Missouri	312	90.4	-61.5
Montana	434	82.7	-28.4
Nebraska	350	100.0	-56.4
Nevada	285	100.0	-63.2
New Hampshire	486	100.0	-37.0
New Jersey	424	100.0	-51.8
New Mexico	264	100.0	-46.5
New York	497	100.0	-39.3
North Carolina	518	50.0	+ 5.3
North Dakota	371	100.0	-45.3
Ohio	674	45.8	+10.7
Oklahoma	471	65.8	- 8.4
Oregon	412	100.0	-38.9
Pennsylvania	614	62.2	-18.0
Rhode Island	479	100.0	-28.9
South Carolina	388	51.5	-19.2
South Dakota	366	100.0	-53.4
Tennessee	353	45.0	-32.0
Texas	574	32.1	- 1.0
Utah	693	54.3	+ 2.2
Vermont	889	67.8	+ 4.4
Virginia	393	90.1	-43.9
Washington	835	58.9	+11.0
West Virginia	497	50.1	-19.5
Wisconsin	647	84.9	+ 3.7
Wyoming	360	100.0	-51.8

Source: Center calculations based on Congressional Research Service and House Ways and Means Committee data.

Table A6. Maximum Earnings Level At Which A Family Can Receive AFDC Benefits
(Three-Person Family, 1987)

	APPLICANT			RECIPIENT (5th-12th Month)		
State	With Child Care Deduction	Without Child Care Deduction	Without Child Care Deduction As Percentage of Poverty Line	With Child Care Deduction	Without Child Care Deduction	Without Child Care Deduction As Percentage of Poverty Line
Alabama	$289	$183	24.2%	$319	$213	28.2%
Alaska	920	814	86.2	950	844	89.3
Arizona	464	358	47.4	494	388	51.3
Arkansas	373	267	35.3	403	297	39.3
California	804	698	92.4	834	728	96.3
Colorado	590	484	64.0	620	514	68.0
Connecticut	772	666	88.1	802	696	92.1
Delaware	481	375	49.6	511	405	53.6
District of Columbia	535	429	56.8	565	459	60.7
Florida	435	329	43.5	465	359	47.5
Georgia	434	328	43.4	464	358	47.4
Hawaii	662	556	64.0	692	586	67.4
Idaho	475	369	48.8	505	399	52.8
Illinois	513	407	53.9	543	437	57.8
Indiana	459	353	46.7	489	383	50.7
Iowa	552	446	59.0	582	476	63.0
Kansas	580	474	62.7	610	504	66.7
Kentucky	368	262	34.7	398	292	38.6
Louisiana	361	255	33.7	391	285	37.7
Maine	729	623	82.4	759	653	86.4
Maryland	530	424	56.1	560	454	60.1
Massachusetts	681	575	76.1	711	605	80.1
Michigan	699	593	78.5	729	623	82.4
Minnesota	703	597	79.0	733	627	83.0
Mississippi	532	426	56.4	562	456	60.4
Missouri	453	347	45.9	483	377	49.9
Montana	530	424	56.1	560	454	60.1
Nebraska	521	415	54.9	551	445	58.9
Nevada	456	350	46.3	486	380	50.3
New Hampshire	657	551	72.9	687	581	76.9
New Jersey	595	489	64.7	625	519	68.7
New Mexico	435	329	43.5	465	359	47.5
New York	668	562	74.4	698	592	78.3
North Carolina	430	324	42.9	460	354	46.8
North Dakota	542	436	57.7	572	466	61.7
Ohio	480	374	49.5	510	404	53.5
Oklahoma	481	375	49.6	511	405	53.6
Oregon	583	477	63.1	613	507	67.1
Pennsylvania	553	447	59.1	583	477	63.1
Rhode Island	650	544	72.0	680	574	76.0
South Carolina	550	444	58.7	580	474	62.7
South Dakota	537	431	57.0	567	461	61.0
Tennessee	524	418	55.3	554	448	59.3
Texas	355	249	32.9	385	279	36.9
Utah	856	750	99.2	886	780	103.2
Vermont	774	668	88.4	804	698	92.4
Virginia	525	419	55.4	555	449	59.4
Washington	663	557	73.7	693	587	77.7
West Virginia	420	314	41.5	450	344	45.5
Wisconsin	720	614	81.2	750	644	85.2
Wyoming	531	425	56.2	561	455	60.2

Source: Center calculations based on Congressional Research Service data. In calculating the child care deduction, the average child care deduction for those AFDC families who get the deduction ($106 per month) was used. However, most AFDC families with earnings do not have deductible child care costs. The maximum earnings level at which a family can receive AFDC benefits is higher for those already receiving AFDC than for those applying for AFDC because recipients are eligible for additional earnings disregards. For AFDC recipients who are between the fifth and twelfth months of a job they have held while on the AFDC rolls, the additional disregard is $30 per month. Disregards (and therefore the maximum earning levels at which a family can receive AFDC benefits) are higher during the first four months on a job and become lower after the twelfth month.

Table A7. Characteristics of Supplemental Security Income Programs
(For an Individual, 1987)

State	State Supplement?	Value of Maximum Monthly Supplement	Inflation-Adjusted Change in Maximum State SSI Supplement 1974 to 1987	Total SSI Benefits As Percentage of Poverty Line	Maximum SSI and Food Stamp Benefits As Percentage of Poverty Line
Alabama	no	$0	na	74.8%	84.1%
Alaska	yes	292	+21.9%	111.2	119.0
Arizona	no	0	na	74.8	84.1
Arkansas	no	0	na	74.8	84.1
California	yes	220	+ 7.3	123.2	123.2
Colorado	yes	58	+ 0.8	87.6	93.0
Connecticut	yes	146	na	106.9	106.9
Delaware	no	0	na	74.8	84.1
District of Columbia	yes	15	na	78.1	86.4
Florida	no	0	na	74.8	84.1
Georgia	no	0	na	74.8	84.1
Hawaii	yes	5	-92.0	66.0	90.7
Idaho	yes	73	-41.3	90.9	95.3
Illinois	yes	35	na	82.5	89.5
Indiana	no	0	na	74.8	84.1
Iowa	no	0	na	74.8	84.1
Kansas	no	0	na	74.8	84.1
Kentucky	no	0	na	74.8	84.1
Louisiana	no	0	na	74.8	84.1
Maine	yes	10	-56.6	77.0	85.6
Maryland	no	0	na	74.8	84.1
Massachusetts	yes	129	-54.5	103.2	104.0
Michigan	yes	29	-47.5	81.2	88.6
Minnesota	yes	35	-52.5	82.5	89.5
Mississippi	no	0	na	74.8	84.1
Missouri	no	0	na	74.8	84.1
Montana	no	0	na	74.8	84.1
Nebraska	yes	51	-66.9	86.0	92.0
Nevada	yes	36	-59.9	82.7	89.6
New Hampshire	yes	27	-51.1	80.7	88.3
New Jersey	yes	31	-62.6	81.6	88.9
New Mexico	no	0	na	74.8	84.1
New York	yes	72	-48.7	90.6	95.2
North Carolina	no	0	na	74.8	84.1
North Dakota	no	0	na	74.8	84.1
Ohio	no	0	na	74.8	84.1
Oklahoma	yes	64	+39.0	88.9	94.0
Oregon	yes	2	-94.9	75.2	84.4
Pennsylvania	yes	32	-30.5	81.8	89.0
Rhode Island	yes	56	-34.3	87.1	92.7
South Carolina	no	0	na	74.8	84.1
South Dakota	yes	15	na	78.1	86.4
Tennessee	no	0	na	74.8	84.1
Texas	no	0	na	74.8	84.1
Utah	yes	9	na	76.8	85.5
Vermont	yes	57	-14.6	87.3	92.9
Virginia	no	0	na	74.8	84.1
Washington	yes	28	-59.5	81.0	88.4
West Virginia	no	0	na	74.8	84.1
Wisconsin	yes	102	-36.7	97.2	97.2
Wyoming	yes	20	na	79.2	87.2

Source: Center calculations based on data from House Ways and Means Committee and the U.S. Department of Health and Human Services.

Table A8. Benefits in State General Assistance Programs, 1987*

*State Program Extending Beyond Disabled and Elderly***

State	----- One-Person ----- Monthly Benefit	As Percentage of One-Person Poverty Line	----- Two-Person ----- Monthly Benefit	As Percentage of One-Person Poverty Line
Connecticut	$315	65.4%	$419	67.9%
Massacusetts	328	68.0	411	66.6
Michigan	223	46.3	315	51.1
Minnesota	203	42.1	263	42.6
New Jersey	140	29.0	193	31.3
New York	277	57.5	406	65.8
Ohio	136	28.2	179	29.0
Pennsylvania	186	38.6	287	46.5

State Program for Disabled Only

State	----- One-Person ----- Monthly Benefit	As Percentage of One-Person Poverty Line	----- Two-Person ----- Monthly Benefit	As Percentage of One-Person Poverty Line
Arizona	$173	35.9%	$233	37.8%
Delaware***	119	24.7	166	26.9
District of Columbia	239	49.6	298	48.3
Hawaii***	297	53.6	390	54.9
Kansas***	189	39.2	254	41.2
Maryland	171	35.5	227	36.8
Missouri	80	16.6	160	25.9
New Mexico	156	32.4	224	36.3
Oregon	239	49.6	315	51.1
Rhode Island	65	13.5	89	14.4
Utah	217	45.0	301	48.8
Washington	314	65.1	397	64.3
Wyoming***	145	30.1	235	38.1

Source: Center survey.

*This table does not include information on states with county-based general assistance programs or states without general assistance programs. The benefit levels listed often do not apply to all categories of recipients, but usually reflect those for the largest category of recipients in each state.

**Even in these states, benefits are sometimes restricted to certain categories of household composition and/or to limited lengths of time.

***Program benefits are also extended to elderly people.

Table A9. Infant Mortality Rates, by State and Rank, 1985
(Rates Per 100,000 Births)

BY STATE		BY RANK		
Alabama	12.6	1	District of Columbia	20.8
Alaska	10.8	2	Delaware	14.8
Arizona	9.7	3	South Carolina	14.2
Arkansas	11.6	4	Mississippi	13.7
California	9.5	5	Georgia	12.7
Colorado	9.4	6	Alabama	12.6
Connecticut	10.0	7	Wyoming	12.2
Delaware	14.8	8	Louisiana	11.9
District of Columbia	20.8	9	Maryland	11.9
Florida	11.3	10	North Carolina	11.8
Georgia	12.7	11	Illinois	11.7
Hawaii	8.8	12	Arkansas	11.6
Idaho	10.4	13	Virginia	11.5
Illinois	11.7	14	Tennessee	11.4
Indiana	10.9	15	Michigan	11.4
Iowa	9.5	16	Florida	11.3
Kansas	9.3	17	Kentucky	11.2
Kentucky	11.2	18	Pennsylvania	11.0
Louisiana	11.9	19	Indiana	10.9
Maine	9.1	20	Oklahoma	10.9
Maryland	11.9	21	Alaska	10.8
Massachusetts	9.1	22	New York	10.8
Michigan	11.4	23	Washington	10.7
Minnesota	8.8	24	West Virginia	10.7
Mississippi	13.7	25	New Jersey	10.6
Missouri	10.2	26	New Mexico	10.6
Montana	10.3	27	Idaho	10.4
Nebraska	9.6	28	Montana	10.3
Nevada	8.5	29	Ohio	10.3
New Hampshire	9.3	30	Missouri	10.2
New Jersey	10.6	31	Connecticut	10.0
New Mexico	10.6	32	Oregon	9.9
New York	10.8	33	South Dakota	9.9
North Carolina	11.8	34	Texas	9.8
North Dakota	8.5	35	Arizona	9.7
Ohio	10.3	36	Utah	9.6
Oklahoma	10.9	37	Nebraska	9.6
Oregon	9.9	38	Iowa	9.5
Pennsylvania	11.0	39	California	9.5
Rhode Island	8.2	40	Colorado	9.4
South Carolina	14.2	41	New Hampshire	9.3
South Dakota	9.9	42	Kansas	9.3
Tennessee	11.4	43	Massachusetts	9.1
Texas	9.8	44	Wisconsin	9.1
Utah	9.6	45	Maine	9.1
Vermont	8.5	46	Hawaii	8.8
Virginia	11.5	47	Minnesota	8.8
Washington	10.7	48	North Dakota	8.5
West Virginia	10.7	49	Vermont	8.5
Wisconsin	9.1	50	Nevada	8.5
Wyoming	12.2	51	Rhode Island	8.2

Source: National Center for Health Statistics, "Advance Report of Final Mortality Statistics," 1985.

Table A10. Medicaid Programs for Elderly and Disabled People, 1987

State	SOBRA for Elderly and Disabled?	Medically Needy Program for Elderly and Disabled?	Medically Needy Monthly Eligibility Limit for Single Elderly Person	Medically Needy Eligibility Limit As Percentage of Elderly Poverty Line (One Person)
Alabama	no	no	na	na
Alaska	no	no	na	na
Arizona	no	yes*	na*	na*
Arkansas	no	yes	$108	38%
California	no	yes	550	121.0
Colorado	no	no	na	na
Connecticut	no	yes	383	84.3
Delaware	no	no	na	na
District of Columbia	yes	yes	362	79.6
Florida	yes**	yes	275	60.5
Georgia	no	no	na	na
Hawaii	no	yes	300	57.4
Idaho	no	no	na	na
Illinois	no	yes	267	58.7
Indiana	no	no	na	na
Iowa	no	yes	433	95.3
Kansas	no	yes	341	75.0
Kentucky	no	yes	192	42.2
Louisiana	no	yes	100	22.0
Maine	no	yes	358	78.8
Maryland	no	yes	334	73.5
Massachusetts	no	yes	455	100.1
Michigan	no	yes	370	81.4
Minnesota	no	yes	402	88.4
Mississippi	no	no	na	na
Missouri	no	no	na	na
Montana	no	yes	340	74.8
Nebraska	no	yes	375	82.5
Nevada	no	no	na	na
New Hampshire	no	yes	364	80.1
New Jersey	yes	yes	350	77.0
New Mexico	no	no	na	na
New York	no	yes	417	91.7
North Carolina	n	yes	233	51.3
North Dakota	no	yes	345	75.9
Ohio	no	no	na	na
Oklahoma	no	yes	258	56.8
Oregon	no	yes	367	80.7
Pennsylvania	no	yes	375	82.5
Rhode Island	yes	yes	492	108.2
South Carolina	no	no	na	na
South Dakota	no	no	na	na
Tennessee	no	yes	150	33.0
Texas	no	no	na	na
Utah	no	yes	289	63.6
Vermont	no	yes	600	132.0
Virginia	no	yes	217	47.7
Washington	no	yes	368	81.0
West Virginia	no	yes	200	44.0
Wisconsin	no	yes	441	97.0
Wyoming	no	no	na	na

Source: Center survey.

*Arizona has a special state Medically Needy program.

**Florida set its SOBRA eligibility limit at 90 percent of the poverty line instead of 100 percent.

Table A11. Medicaid Service Options, 1986

State	Number of Optional Services Covered Out of 32 Total Options
Alabama	14
Alaska	16
Arizona	na
Arkansas	20
California	29
Colorado	16
Connecticut	25
Delaware	14
District of Columbia	25
Florida	17
Georgia	13
Hawaii	22
Idaho	14
Illinois	27
Indiana	28
Iowa	22
Kansas	22
Kentucky	23
Louisiana	16
Maine	25
Maryland	17
Massachusetts	30
Michigan	26
Minnesota	29
Mississippi	10
Missouri	13
Montana	27
Nebraska	23
Nevada	24
New Hampshire	26
New Jersey	28
New Mexico	16
New York	26
North Carolina	20
North Dakota	24
Ohio	25
Oklahoma	16
Oregon	25
Pennsylvania	16
Rhode Island	12
South Carolina	17
South Dakota	16
Tennessee	20
Texas	15
Utah	26
Vermont	18
Virginia	15
Washington	23
West Virginia	18
Wisconsin	26
Wyoming	9

Source: U.S. Department of Health and Human Services, Health Care Financing Administration, "Medicaid Services State by State," October 1, 1986.

Table A12. Unemployment and Unemployment Insurance Coverage, 1986

State	Unemployment Rate	Number of Unemployed (000's)	Percent of Unemployed Receiving Unemployment Insurance	Number of Unemployed Not Receiving Benefits (000's)	Unemployment Insurance Benefits As Percentage of Wage Replaced*
Alabama	9.8%	185	23.6%	141	30.5%
Alaska	10.8	28	65.7	10	28.7
Arizona	6.9	110	23.0	85	31.5
Arkansas	8.7	94	29.7	66	39.0
California	6.7	892	44.5	495	28.8
Colorado	7.4	126	26.7	92	40.7
Connecticut	3.8	66	37.6	41	36.5
Delaware	4.3	14	41.0	8	38.6
District of Columbia	7.7	25	36.9	16	34.6
Florida	5.7	320	18.3	261	37.3
Georgia	5.9	178	25.1	133	31.2
Hawaii	4.8	24	37.3	17	44.5
Idaho	8.7	41	37.8	26	42.6
Illinois	8.1	461	30.4	321	34.8
Indiana	6.7	185	24.4	140	27.6
Iowa	7.0	100	29.5	71	44.7
Kansas	5.4	67	37.3	42	44.3
Kentucky	9.3	156	24.5	118	32.8
Louisiana	13.1	261	36.1	167	43.0
Maine	5.3	30	41.4	18	40.7
Maryland	4.5	105	34.6	69	37.3
Massachusetts	3.8	117	55.4	52	39.6
Michigan	8.8	385	28.5	275	36.0
Minnesota	5.3	118	38.3	73	45.0
Mississippi	11.7	136	23.4	104	32.4
Missouri	6.1	154	34.0	102	30.1
Montana	8.1	33	31.9	22	41.5
Nebraska	5.0	40	32.4	27	36.9
Nevada	6.0	32	36.7	20	37.9
New Hampshire	2.8	16	22.8	12	34.3
New Jersey	5.0	196	44.2	109	37.7
New Mexico	9.2	62	27.5	45	37.6
New York	6.3	526	36.7	333	31.2
North Carolina	5.3	170	29.5	120	37.2
North Dakota	6.3	21	36.4	13	50.2
Ohio	8.1	426	28.1	306	39.5
Oklahoma	8.2	131	27.6	95	42.0
Oregon	8.5	114	37.8	71	40.2
Pennsylvania	6.8	386	43.1	220	42.4
Rhode Island	4.0	21	62.4	8	39.4
South Carolina	6.2	100	28.3	72	32.4
South Dakota	4.7	16	21.0	13	40.8
Tennessee	8.0	185	24.7	139	28.2
Texas	8.9	726	23.0	559	42.2
Utah	6.0	45	31.7	31	46.1
Vermont	4.7	14	38.1	9	38.7
Virginia	5.0	145	16.6	121	36.9
Washington	8.2	179	37.0	113	37.6
West Virginia	11.8	88	27.1	64	40.8
Wisconsin	7.0	169	35.3	109	43.5
Wyoming	9.0	22	34.7	14	44.9
Nation	7.0		32.7		36.0

Source: U.S. Department of Labor, unpublished tables; House Ways and Means Committee, *Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means*, 1987.

*This calculation shows the average unemployment insurance benefits of recipients in a state as a percentage of the average weekly wages of workers in that state who are covered by unemployment insurance.

Table A13. Unemployment Insurance Coverage, 1979 and 1986*

State	Percent of Unemployed Receiving Unemployment Insurance, 1986	Percent of Unemployed Receiving Unemployment Insurance, 1979	Percentage Point Change 1979 to 1986
Alabama	23.6%	37.1%	-13.5
Alaska	65.7	79.7	-14.0
Arizona	23.0	25.4	- 2.4
Arkansas	29.7	41.8	-12.1
California	44.5	43.0	+ 1.5
Colorado	26.7	24.6	+ 2.1
Connecticut	37.6	39.5	- 2.0
Delaware	41.0	28.7	+12.3
District of Columbia	36.9	44.6	- 7.7
Florida	18.3	23.7	- 5.4
Georgia	25.1	32.4	- 7.3
Hawaii	37.3	40.1	- 2.8
Idaho	37.8	49.7	-11.9
Illinois	30.4	48.1	-17.7
Indiana	24.4	27.6	- 3.2
Iowa	29.5	37.7	- 8.2
Kansas	37.3	36.3	+ 1.0
Kentucky	24.5	44.5	-20.0
Louisiana	36.1	29.0	+ 7.1
Maine	41.4	44.0	- 2.6
Maryland	34.6	28.4	+ 6.2
Massachusetts	55.4	48.5	+ 6.9
Michigan	28.5	52.9	-24.4
Minnesota	38.3	39.2	- 0.9
Mississippi	23.4	34.0	-10.6
Missouri	34.0	51.7	-17.7
Montana	31.9	49.6	-17.7
Nebraska	32.4	30.6	+ 1.9
Nevada	36.7	41.0	- 4.3
New Hampshire	22.8	33.0	-10.2
New Jersey	44.2	62.7	-18.4
New Mexico	27.5	24.2	+ 3.3
New York	36.7	45.0	-8.3
North Carolina	29.5	29.5	+ 0.0
North Dakota	36.4	51.9	-15.4
Ohio	28.1	40.0	-11.9
Oklahoma	27.6	32.0	- 4.4
Oregon	37.8	41.4	- 3.6
Pennsylvania	43.1	52.3	- 9.1
Rhode Island	62.4	71.1	- 8.7
South Carolina	28.3	35.3	- 7.0
South Dakota	21.0	30.4	- 9.5
Tennessee	24.7	45.3	-20.6
Texas	23.0	24.0	- 1.0
Utah	31.7	43.8	-12.1
Vermont	38.1	53.0	-14.9
Virginia	16.6	23.7	- 7.1
Washington	37.0	35.3	+ 1.8
West Virginia	27.1	48.8	-21.7
Wisconsin	35.3	52.2	-16.9
Wyoming	34.7	26.9	+ 7.8
Nation	32.7	42.1	- 9.4

Sources: U.S. Department of Labor, unpublished tables.

*The years 1986 and 1979 were compared because they were both the fourth year of an economic recovery.

Table A14. State Revenue by Tax Source, 1986*

State	General Sales	Selective Sales	License	Individual Income	Corporate Income	Other
Alabama	28.0%	27.5%	8.7%	25.3%	5.2%	5.4%
Alaska	0.0	3.6	3.4	0.0	9.6	83.3
Arizona	45.7	16.0	7.1	22.0	5.3	4.0
Arkansas	38.1	19.1	6.6	27.9	6.2	2.1
California	33.7	8.5	3.4	36.8	12.4	5.2
Colorado	31.4	14.4	6.1	40.8	5.0	2.3
Connecticut**	42.4	22.6	5.4	7.8	16.1	5.8
Delaware	0.0	10.5	30.1	44.6	10.1	4.7
District of Columbia	21.0	9.7	2.2	25.9	8.8	32.4
Florida	55.1	22.3	6.8	0.0	5.3	10.4
Georgia	33.4	14.2	3.1	39.6	8.5	1.2
Hawaii	50.1	13.3	1.7	31.4	2.9	0.5
Idaho	33.6	16.7	9.0	34.4	5.7	0.5
Illinois	34.3	19.6	7.5	27.0	8.8	2.8
Indiana	48.5	12.7	3.2	29.8	4.1	1.7
Iowa	31.3	15.9	9.6	35.2	5.6	2.5
Kansas	29.3	17.0	6.5	30.5	8.2	8.5
Kentucky	27.4	17.2	5.8	25.5	7.3	16.8
Louisiana	31.3	20.8	9.7	12.6	7.3	18.3
Maine	34.8	19.7	7.4	30.6	4.7	2.7
Maryland	25.5	19.5	3.4	41.3	5.4	5.0
Massachusetts	22.4	10.5	2.7	47.2	13.9	3.3
Michigan***	28.8	11.6	5.7	34.9	15.6	3.4
Minnesota	27.7	17.4	7.0	39.8	7.5	0.7
Mississippi	53.8	14.5	8.0	14.2	5.1	4.5
Missouri	42.5	12.4	8.4	31.0	4.8	1.0
Montana	0.0	22.8	9.9	27.9	9.5	29.9
Nebraska	31.3	22.8	8.4	31.4	4.9	1.3
Nevada	49.6	36.0	11.2	0.0	0.0	3.2
New Hampshire**	0.0	45.3	16.9	5.1	20.4	12.2
New Jersey	31.3	23.3	6.2	24.6	11.4	3.2
New Mexico	42.8	15.0	4.4	7.0	4.9	25.8
New York	20.9	12.0	3.4	50.9	8.4	4.4
North Carolina	24.8	16.6	7.0	39.5	9.2	2.8
North Dakota	28.7	16.6	9.0	11.9	9.1	24.6
Ohio	34.9	19.5	8.9	30.6	5.3	0.7
Oklahoma	22.2	18.9	11.0	23.2	3.6	21.0
Oregon	0.0	14.1	12.6	61.8	8.4	3.1
Pennsylvania	30.3	19.4	10.6	24.9	9.0	5.7
Rhode Island	32.9	20.1	3.9	32.4	7.6	3.1
South Carolina	38.5	17.9	5.5	31.4	5.2	1.5
South Dakota	49.3	29.8	10.8	0.0	5.8	4.3
Tennessee**	57.0	19.9	10.2	2.1	8.2	2.6
Texas	38.9	30.0	16.0	0.0	0.0	15.0
Utah	40.9	13.3	4.2	33.1	4.9	3.6
Vermont	19.7	30.9	8.6	32.1	6.1	2.5
Virginia	21.0	19.4	6.3	44.9	5.8	2.5
Washington	59.6	16.4	5.1	0.0	0.0	18.9
West Virginia	43.9	18.1	5.9	25.9	4.8	1.4
Wisconsin	28.1	14.4	5.2	40.8	7.4	4.1
Wyoming	23.2	6.8	7.6	0.0	0.0	62.5
All States	32.8	16.5	6.5	29.6	8.1	6.6

Source: Advisory Commission on Intergovernmental Relations, *Significant Features of Fiscal Federalism*, 1987.

*The percentages for each state total to 100; that is, the figures reflect all state tax revenues.

**Connecticut, New Hampshire, and Tennessee have individual income taxes, but they are not broad-based.

***Michigan's corporate income tax operates in a similar fashion to a "value-added" tax. This approach may be more burdensome to poor people than corporate income taxes in other states.

Table A15. Tax Threshold and Income Tax Burden
(Family of Four, 1988)

State	Tax Threshold*	Threshold As Percent of Estimated Poverty Line	State Income Tax At $10,000 of Income
Alabama	$4,400	36.0%	$156
Alaska	no broad-based income tax		
Arizona	8,400	68.7	32
Arkansas	5,600	45.8	130
California	18,100	147.9	0
Colorado	12,800	104.6	0
Connecticut	no broad-based income tax		
Delaware	8,600	70.3	45
District of Columbia	12,800	104.6	0
Florida	no broad-based income tax		
Georgia	9,000	73.6	10
Hawaii**	5,900	41.9	116
Idaho	12,800	104.6	0
Illinois	4,000	32.7	150
Indiana	4,000	32.7	204
Iowa	7,500	61.3	144
Kansas**	6,000	49.0	115
Kentucky	4,300	35.1	281
Louisiana	11,000	89.9	0
Maine	6,200	50.7	39
Maryland***	12,900	105.4	0
Massachusetts	12,000	98.1	0
Michigan**	7,200	58.9	129
Minnesota**	12,800	104.6	0
Mississippi	15,900	130.0	0
Missouri	8,200	67.0	31
Montana	6,500	53.1	109
Nebraska	12,800	104.6	0
Nevada	no broad-based income tax		
New Hampshire	no broad-based income tax		
New Jersey	4,000	32.7	120
New Mexico**	12,000	98.1	0
New York	14,000	114.4	0
North Carolina**	4,300	35.1	252
North Dakota	12,800	104.6	0
Ohio	10,400	85.0	0
Oklahoma	8,900	72.7	33
Oregon**	9,300	76.0	50
Pennsylvania**	8,000	65.4	211
Rhode Island	15,100	123.4	0
South Carolina	12,800	104.6	0
South Dakota	no broad-based income tax		
Tennessee	no broad-based income tax		
Texas	no broad-based income tax		
Utah	10,900	89.1	0
Vermont	12,800	104.6	0
Virginia	5,900	48.2	93
Washington	no broad-based income tax		
West Virginia	8,000	65.4	60
Wisconsin**	10,800	88.3	0
Wyoming	no broad-based income tax		

Source: Center calculations for a two-parent family with two-children.

*Level of income at which a family begins owing state income tax; the tax thresholds shown here have been rounded to the nearest $100.

**These levels do not take into account non-personal credits that low income households normally would receive and that would raise the tax threshold and reduce the tax liability of these households.

***In 1987, Maryland established a state earned income tax credit which was designed to eliminate both state and local income taxes for families of four or fewer persons that have dependent children and that have incomes at or below the poverty line. The tax threshold figures shown here for Maryland reflect the new earned income credit.

Table A16. Property Tax Circuitbreaker Programs

State	Circuit-breaker?	Covers Households That Are Neither Elderly Nor Disabled?	Covers Renters?	Average Benefit	Income Limit
Alabama	no	no	no	--	--
Alaska	no	no	no	--	--
Arizona	yes	no	yes	$175	$5,500
Arkansas	yes	no	no	91	12,000
California	yes	no	yes	127	12,000
Colorado	yes	no	yes	271	11,200
Connecticut	yes	no	yes	290	16,000
Delaware	no	no	no	--	--
District of Columbia	yes	yes	yes	288	20,000
Florida	no	no	no	--	--
Georgia	no	no	no	--	--
Hawaii	no	no	no	--	--
Idaho	yes	no	no	181	13,120
Illinois	yes	no	yes	250	14,000
Indiana	no	no	no	--	--
Iowa	yes	no	yes	201	12,000
Kansas	yes	yes	yes	158	12,800
Kentucky	no	no	no	--	--
Louisiana	no	no	no	--	--
Maine	yes	yes	yes	**	9,200
Maryland	yes	yes	yes*	396	no limit
Massachusetts	no	no	no	--	--
Michigan	yes	yes	yes	397	83,650
Minnesota	yes	yes	yes	294	40,000
Mississippi	no	no	no	--	--
Missouri	yes	no	yes	138	12,000
Montana	yes	no	yes	194	no limit
Nebraska	yes	no	no	**	10,400
Nevada	yes	no	yes	168	15,100
New Hampshire	no	no	no	--	--
New Jersey	no	no	no	--	--
New Mexico	yes	no	yes	100	16,000
New York	yes	yes	yes	73	18,000
North Carolina	no	no	no	--	--
North Dakota	yes	no	yes	203	10,000
Ohio	yes	no	no	160	15,000
Oklahoma	yes	no	no	89	7,200
Oregon	yes	yes	yes	232	17,500
Pennsylvania	yes	no	yes	223	15,000
Rhode Island	yes	no	yes	177	12,500
South Carolina	no	no	no	--	--
South Dakota	yes	no	no	111	7,375
Tennessee	no	no	no	--	--
Texas	no	no	no	--	--
Utah	yes	no	yes	113	10,000
Vermont	yes	yes	yes	259	32,000
Virginia	no	no	no	--	--
Washington	no	no	no	--	--
West Virginia	yes	no	yes	18	5,000
Wisconsin	yes	yes	yes	370	16,500
Wyoming	no	no	no	--	--

Source: Steve Gold, *State Tax Relief For the Poor*, National Conference of State Legislatures, April 1987, as updated by the Center.

*Maryland's circuitbreaker covers elderly renters but does not cover nonelderly renters.

**Data not available.

Table A17. Low-Income Housing Assistance

State	Number of Renter Households Assisted 1985	Number of Very Low Income Renter Households 1983	Maximum* Number of Very Low Income Renter Households Assisted
Alabama	75,469	224,320	33.6%
Alaska	9,224	16,980	54.3
Arizona	34,638	139,320	24.9
Arkansas	38,709	130,840	29.6
California	336,310	1,564,110	21.5
Colorado	39,605	159,850	24.8
Connecticut	64,225	154,030	41.7
Delaware	10,422	29,060	35.9
District of Columbia	28,131	69,330	40.6
Florida	134,471	587,050	22.9
Georgia	115,297	337,760	34.1
Hawaii	16,175	53,160	30.4
Idaho	9,072	40,630	22.3
Illinois	168,448	646,150	26.1
Indiana	79,052	214,860	36.8
Iowa	31,076	115,350	26.9
Kansas	26,702	103,130	25.9
Kentucky	68,314	192,420	35.5
Louisiana	69,307	261,240	26.5
Maine	21,473	54,720	39.2
Maryland	81,215	210,330	38.6
Massachusetts	144,990	347,830	41.7
Michigan	123,958	409,380	30.3
Minnesota	77,519	169,070	45.9
Mississippi	40,148	143,000	28.1
Missouri	73,636	237,110	31.1
Montana	14,346	38,290	37.5
Nebraska	22,715	67,950	33.4
Nevada	15,016	47,620	31.5
New Hampshire	16,042	40,530	39.6
New Jersey	139,169	403,040	34.5
New Mexico	21,749	69,530	31.3
New York	454,852	1,484,980	30.6
North Carolina	97,754	305,840	32.0
North Dakota	12,311	27,840	44.2
Ohio	190,309	537,230	35.4
Oklahoma	55,721	153,030	36.4
Oregon	34,491	154,350	22.3
Pennsylvania	189,449	564,120	33.6
Rhode Island	32,398	63,370	51.1
South Carolina	45,692	156,080	29.3
South Dakota	16,827	35,230	47.8
Tennessee	91,364	259,260	35.2
Texas	196,290	766,090	25.6
Utah	10,039	57,390	17.5
Vermont	7,077	26,220	27.0
Virginia	79,566	262,530	30.3
Washington	57,265	224,990	25.5
West Virginia	26,844	86,230	31.1
Wisconsin	67,385	193,200	34.9
Wyoming	3,915	16,620	23.6
Total	3,816,172	12,652,690	30.2

Source: 1980 Census Data and 1983 Annual Housing Survey. Data on programs from Department of Housing, 1985 unpublished data.

*This is a maximum because not all households receiving assistance have "very low incomes." The number of "very low income" housing units in 1983 was compared to the number of assisted units in 1985 because both sets of data are the latest available on a state-by-state basis.

Table A18. Rental Housing Crisis Index, 1985

State	Number of Very Low Income Renter Households	Number of Very Low Income Rental Housing Units	Shortage of Very Low Income Renter Units*	Percentage by Which Number of Very Low Income Renter Households Exceeds Number of Very Low Income Renter Units*
Alabama	114,176	88,050	26,126	29.7%
Alaska	15,619	13,497	2,122	15.7
Arizona	86,414	45,407	41,007	90.3
Arkansas	68,570	57,205	11,364	19.9
California	1,084,277	294,871	789,406	267.7
Colorado	107,269	47,542	59,727	125.6
Connecticut	112,409	40,106	72,303	180.3
Delaware	18,241	8,155	10,086	123.7
District of Columbia	46,545	14,866	31,679	213.1
Florida	338,315	149,544	188,771	126.2
Georgia	186,738	120,916	65,822	54.4
Hawaii	40,509	26,803	13,706	51.1
Idaho	25,855	16,331	9,524	58.3
Illinois	430,524	154,265	276,260	79.1
Indiana	155,361	97,289	58,072	59.7
Iowa	84,506	51,834	32,672	63.0
Kansas	74,045	50,207	23,837	47.5
Kentucky	107,869	81,268	26,600	32.7
Louisiana	138,687	95,411	43,275	45.4
Maine	32,722	19,041	13,681	71.8
Maryland	158,231	56,459	101,772	180.3
Massachusetts	245,929	103,919	142,010	136.7
Michigan	248,874	118,202	130,671	110.5
Minnesota	116,703	55,578	61,125	110.0
Mississippi	68,245	60,592	7,653	12.6
Missouri	155,210	98,461	56,749	57.6
Montana	25,411	19,194	6,218	32.4
Nebraska	51,436	34,229	17,206	50.3
Nevada	35,076	9,635	25,441	264.1
New Hampshire	29,826	15,108	14,719	97.4
New Jersey	276,015	83,711	192,304	229.7
New Mexico	40,156	28,343	11,813	41.7
New York	928,319	390,630	537,689	137.6
North Carolina	184,072	136,009	48,062	35.3
North Dakota	20,277	13,832	6,445	46.6
Ohio	345,080	179,494	165,586	92.3
Oklahoma	93,467	61,682	31,785	51.5
Oregon	98,508	40,850	57,657	141.1
Pennsylvania	361,649	208,344	153,305	73.6
Rhode Island	39,762	19,262	20,500	106.4
South Carolina	87,615	70,536	17,079	24.2
South Dakota	21,238	16,453	4,786	29.1
Tennessee	144,900	97,660	47,240	48.4
Texas	501,509	285,175	216,333	75.9
Utah	37,448	18,791	18,657	99.3
Vermont	15,893	8,142	7,751	95.2
Virginia	182,823	96,930	85,892	88.6
Washington	150,819	69,547	81,271	116.9
West Virginia	51,696	46,403	5,293	11.4
Wisconsin	149,595	75,923	73,671	97.0
Wyoming	14,527	9,345	5,182	55.5
Nation	8,148,959	4,206,023	3,942,936	93.7

Source: Low Income Housing Information Service, see Endnote D.

*These figures are a measure of the extent to which the number of very low income renters in each state exceeds the supply of affordable rental housing. For example, the table indicates that in 1985 the number of very low income renter households in Alabama was 26,126 (or 29.7 percent) greater than the number of housing units in Alabama that rented for no more than 30 percent of these households' incomes.

Table A19. **Low Income Home Energy Assistance Program,**
(Fiscal Year 1987)

State	Low Income Household Expenditures on Heating and Cooling*	LIHEAP Appropriation	LIHEAP Appropriation As Percentage of Expenditures
Alabama	$168,031,609	$15,573,631	9.3%
Alaska	27,823,236	6,613,140	23.8
Arizona	62,510,427	6,829,512	10.9
Arkansas	134,341,676	11,942,509	8.9
California	403,233,178	83,605,689	20.7
Colorado	90,563,315	29,275,440	32.3
Connecticut	138,519,122	38,190,844	27.6
Delaware	45,404,981	5,069,099	11.2
District of Columbia	31,554,427	5,931,100	18.8
Florida	271,391,813	24,756,698	9.1
Georgia	186,047,186	19,580,270	10.5
Hawaii	na	1,971,840	na
Idaho	19,506,112	11,328,691	58.1
Illinois	607,298,261	105,705,664	17.4
Indiana	237,050,151	47,860,555	20.2
Iowa	140,467,020	33,919,416	24.1
Kansas	85,135,274	15,558,412	18.3
Kentucky	158,316,481	24,906,471	15.7
Louisiana	137,883,587	16,000,820	11.6
Maine	54,699,403	24,516,431	44.8
Maryland	195,610,486	29,242,247	14.9
Massachusetts	319,148,981	76,373,365	23.9
Michigan	563,836,086	100,175,914	17.8
Minnesota	220,581,158	72,262,451	32.8
Mississippi	113,463,109	13,403,793	11.8
Missouri	236,510,495	42,222,970	17.9
Montana	24,219,853	11,035,480	45.6
Nebraska	58,781,165	16,746,993	28.5
Nevada	29,035,670	3,547,711	12.2
New Hampshire	44,973,176	14,459,890	32.2
New Jersey	357,363,417	70,808,845	19.8
New Mexico	49,422,163	8,599,659	17.4
New York	980,939,193	231,388,436	23.6
North Carolina	241,931,295	34,215,241	14.1
North Dakota	26,970,008	12,846,329	47.6
Ohio	510,343,502	93,512,460	18.3
Oklahoma	140,390,569	13,676,675	9.7
Oregon	77,931,578	22,689,704	29.1
Pennsylvania	513,402,456	124,384,773	24.2
Rhode Island	53,266,651	12,486,618	23.4
South Carolina	110,618,416	12,430,143	11.2
South Dakota	33,943,381	9,997,410	29.5
Tennessee	179,122,229	25,229,722	14.1
Texas	513,907,160	41,200,153	8.0
Utah	42,840,836	13,294,932	31.0
Vermont	32,338,975	10,838,202	33.5
Virginia	217,456,792	35,620,327	16.4
Washington	107,079,809	35,911,956	33.5
West Virginia	80,697,598	16,482,503	20.4
Wisconsin	254,468,321	65,082,588	25.6
Wyoming	15,489,741	5,446,889	35.2
Nation	9,345,861,528	1,804,750,611	19.3

Sources: Center calculations from U.S. Department of Health and Human Services, unpublished tables and June 1987 telephone survey report.

*This column equals the Department of Health and Human Services' (HHS) estimate of the total heating and cooling costs incurred by low-income households in each state. They are rough estimates, because they are based on the number of low-income households in each state in 1979, state energy consumption patterns in 1984, and estimates of state energy costs in 1987. HHS uses this approach because precise state data covering more recent years are unavailable. Some energy policy analysts argue that the figures understate the energy needs of low-income households, because heating and cooling costs average less than half of total energy costs.

Table A20. WIC Data

State	WIC Participants June 1987*	Estimated WIC Eligibles, 1984	WIC Participation Rate	State WIC Supplement?	Participation Rate After State Supplement
Alabama	76,679	172,345	44.5	no	na
Alaska	5,867	14,888	39.4	no**	na
Arizona	54,885	107,565	51.0	no**	na
Arkansas	37,183	109,166	34.1	no	na
California	271,142	774,768	35.0	no	na
Colorado	37,530	72,544	51.7	no	na
Connecticut	44,208	64,360	68.7	no	na
Delaware	7,393	18,305	40.4	no	na
District of Columbia	11,128	14,434	78.1	yes	unavailable
Florida	118,231	299,461	39.5	no	na
Georgia	112,871	229,471	49.2	no	na
Hawaii	10,360	38,892	26.6	no	na
Idaho	16,331	52,249	31.3	no	na
Illinois	165,346	309,981	53.3	yes	57.4
Indiana	69,945	167,976	41.6	yes	new program****
Iowa	34,492	83,566	41.3	no	na
Kansas	26,157	75,609	34.6	no	na
Kentucky	68,500	149,926	45.7	no	na
Louisiana	90,80[illegible]	173,023	52.5	no	na
Maine	19,53[illegible]	43,267	45.2	no	na
Maryland	39,394	98,209	40.1	no	na
Massachusetts	56,931	132,164	43.1	yes	50.6
Michigan	128,765	226,193	56.9	yes	adm.***
Minnesota	55,111	106,989	51.5	yes	new program****
Mississippi	92,026	143,400	64.2	no	na
Missouri	60,039	157,275	38.2	no	na
Montana	13,815	31,208	44.3	no	na
Nebraska	20,553	47,729	43.1	no	na
Nevada	12,842	21,038	61.0	no	na
New Hampshire	13,268	24,514	54.1	no	na
New Jersey	73,274	173,250	42.3	no**	na
New Mexico	26,004	68,241	38.1	no	na
New York	254,514	558,005	45.6	yes	52.6
North Carolina	106,993	216,102	49.5	no	na
North Dakota	13,074	25,388	51.5	no	na
Ohio	183,136	313,828	58.4	no	na
Oklahoma	50,419	115,205	43.8	no	na
Oregon	33,782	80,379	42.0	no	na
Pennsylvania	152,548	307,322	49.6	yes	56.6
Rhode Island	14,077	24,910	56.5	no**	na
South Carolina	77,173	133,738	57.7	no	na
South Dakota	13,607	32,546	41.8	no	na
Tennessee	73,997	157,044	47.1	no	na
Texas	223,539	580,213	38.5	yes	41.2
Utah	32,726	91,702	35.7	no	na
Vermont	15,146	18,507	81.8	no	na
Virginia	68,593	158,595	43.3	no	na
Washington	41,142	119,679	34.4	yes	adm.***
West Virginia	27,415	69,930	39.2	no	na
Wisconsin	60,364	122,602	49.2	yes	52.4
Wyoming	9,552	13,141	72.7	no	na

Source: Center calculations, see Endnote E.

*This column is WIC participants served from federal funds.

**These states have "contingency funds" under which usually modest amounts of state funds may be used to cover WIC costs if the state overspends its federal WIC grant for a fiscal year by a small amount. To the best of our knowledge, none of these states have had to dip into the contingency funds and spend state money for WIC.

***Supplemental funds can be used only for administrative costs.

****Programs have just been funded and participation rates with state supplements are not yet available.

Table A21. Do Safety Nets Meet Reasonable Standards?
(Number in **boldface** indicates the standard is met)

(1) Maximum AFDC benefits for three-person families equal to or greater than half the poverty line (19 states meet this standard).

(2) AFDC benefits provided to two-parent families (28 states).

(3) SSI payments supplemented by more than the minimal amount of $15 per month for an individual, which brings total SSI benefits up to 78 percent of the poverty line for an elderly individual (21 states).

(4) A state general assistance program not restricted solely to disabled and elderly individuals (eight states).

(5) A Medicaid income eligibility limit for a three-person family equal to or greater than 75 percent of the poverty line (11 states).

State	(1)	(2)	(3)	(4)	(5)
Alabama	15.6%	no	0	no	15.6%
Alaska	**79.3**	no	**292**	no	**79.3**
Arizona	38.8	no	0	no	53.0
Arkansas	26.7	no	0	no	34.1
California	**83.7**	yes	**220**	no	**112.5**
Colorado	45.8	no	58	no	55.7
Connecticut	**79.5**	yes	**146**	yes	**82.7**
Delaware	41.0	yes	0	no	41.0
District of Columbia	48.1	yes	15	no	64.2
Florida	34.9	no	0	no	47.5
Georgia	34.8	no	0	no	46.3
Hawaii	**56.5**	yes	5	no	56.5
Idaho	40.2	no	**73**	no	40.2
Illinois	45.2	yes	**35**	no	60.6
Indiana	38.1	no	0	no	38.1
Iowa	**50.4**	yes	0	no	57.3
Kansas	**54.1**	yes	0	no	61.5
Kentucky	26.1	no	0	no	35.3
Louisiana	25.1	no	0	no	30.8
Maine	**53.6**	yes	10	no	73.8
Maryland	47.5	yes	0	no	55.2
Massachusetts	**67.5**	yes	**129**	yes	**87.1**
Michigan	**56.5**	yes	**29**	yes	71.4
Minnesota	**70.4**	yes	**35**	yes	**93.8**
Mississippi	15.9	no	0	no	48.7
Missouri	37.3	yes	0	no	37.3
Montana	47.5	yes	0	no	54.0
Nebraska	46.3	yes	**51**	no	59.5
Nevada	37.7	no	**36**	no	37.7
New Hampshire	**64.3**	no	**27**	no	64.3
New Jersey	**56.1**	yes	**31**	yes	74.9
New Mexico	34.9	no	0	no	34.9
New York	**65.7**	yes	**72**	yes	**81.6**
North Carolina	34.3	yes	0	no	46.3
North Dakota	49.1	no	0	no	57.6
Ohio	40.9	yes	0	yes	40.9
Oklahoma	41.0	no	**64**	no	62.3
Oregon	**54.5**	yes	2	no	72.6
Pennsylvania	**50.5**	yes	**32**	yes	56.2
Rhode Island	**63.4**	yes	**56**	no	**83.8**
South Carolina	26.5	yes	0	no	51.3
South Dakota	48.4	no	15	no	48.4
Tennessee	21.0	no	0	no	46.7
Texas	24.3	no	0	no	35.3
Utah	49.7	no	9	no	**91.7**
Vermont	**79.8**	yes	**57**	no	**99.2**
Virginia	46.8	no	0	no	47.4
Washington	**65.1**	yes	**28**	no	**76.1**
West Virginia	32.9	yes	0	no	38.4
Wisconsin	**72.6**	yes	**102**	no	**84.8**
Wyoming	47.6	no	**20**	no	47.6
Total Meeting Standards	19	28	21	8	11

Table A21. Do Safety Nets Meet Reasonable Standards? (continued)
(Number in **boldface** indicates the standard is met)

(6) Adoption of the SOBRA option making all pregnant women and young children in poverty eligible for Medicaid (25 states).

(7) Adoption of a Medicaid Medically Needy program for both families with children and for elderly and disabled people (35 states).

(8) At least two-fifths of the unemployed receiving unemployment insurance (eight states).

(9) At least 40 percent of state revenue collected through income taxes (16 states).

(10) A property tax circuitbreaker that is not restricted to households with an elderly or disabled person (10 states).

State	(6)	(7)	(8)	(9)	(10)	Number of Standards Met
Alabama	no*	no	23.6%	30.5%	no	0
Alaska	no	no	**65.7**	9.6	no	4
Arizona	yes	yes*	23.0	27.3	no	2
Arkansas	yes	yes	29.7	34.1	no	5
California	yes*	yes	**44.5**	**49.2**	no	8
Colorado	no	no	26.7	**45.8**	no	2
Connecticut	yes	yes	37.6	23.9	no	7
Delaware	yes	no	**41.0**	**54.7**	no	4
District of Columbia	yes	yes	36.9	34.7	yes	4
Florida	yes	yes	18.3	5.3	no	2
Georgia	no	no	25.1	**48.1**	no	1
Hawaii	no	yes	37.3	34.3	no	3
Idaho	no	no	37.8	**40.1**	no	2
Illinois	no*	yes	30.4	35.8	no	3
Indiana	no	no	24.4	33.9	no	0
Iowa	no	yes	29.5	**40.8**	no	4
Kansas	no	yes	37.3	38.7	yes	4
Kentucky	yes	yes	24.5	32.8	no	2
Louisiana	no	yes	36.1	19.9	no	1
Maine	no	yes	**41.4**	35.3	yes	5
Maryland	yes	yes	34.6	**46.7**	yes*	5
Massachusetts	yes	yes	**55.4**	**61.1**	no	9
Michigan	yes	yes	28.5	**50.5***	yes	8
Minnesota	no*	yes	38.3	**47.3**	yes	8
Mississippi	yes	no	23.4	19.3	no	1
Missouri	yes	no	34.0	35.8	no	2
Montana	no	yes	31.9	37.4	no	2
Nebraska	no	yes	32.4	36.3	no	3
Nevada	no	no	36.7	0.0	no	1
New Hampshire	no	yes	22.8	25.5	no	3
New Jersey	yes	yes	**44.2**	36.0	no	7
New Mexico	yes	no	27.5	11.9	no	1
New York	no	yes	36.7	**59.3**	yes	8
North Carolina	yes	yes	29.5	**48.7**	no	4
North Dakota	no	yes	36.4	21.0	no	1
Ohio	no*	no	28.1	35.9	no	2
Oklahoma	yes	yes	27.6	26.8	no	3
Oregon	yes	yes	37.8	**70.2**	yes	6
Pennsylvania	yes	yes	**43.1**	33.9	no	7
Rhode Island	yes	yes	**62.4**	**40.0**	no	8
South Carolina	yes	no	28.3	36.6	no	2
South Dakota	no	no	21.0	5.8	no	0
Tennessee	yes	yes	24.7	10.3	no	2
Texas	no	no	23.0	0.0	no	0
Utah	no	yes	31.7	38.0	no	2
Vermont	yes	yes	38.1	38.2	yes	7
Virginia	no	yes	16.6	**50.7**	no	2
Washington	yes*	yes	37.0	0.0	no	6
West Virginia	yes	yes	27.1	30.7	no	3
Wisconsin	no	yes	35.3	**48.2**	yes	7
Wyoming	no	no	34.7	0.0	no	1
Total Meeting Standards	25	35	8	16	10	–
Median						3

*Arizona has a special state Medically Needy program. Maryland's circuitbreaker covers only elderly renters, and not non-elderly renters. Michigan's corporate income tax is similar to a value-added tax, which can be regressive (without including the corporate income tax, Michigan would not achieve the standard). For additional information on the status of the SOBRA option for women and children in Alabama, California, Illinois, Minnesota, Ohio, and Washington, see footnote 19 in the text.